

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

## STATUTE

OF

### THE ASSOCIATION OF TAX AUTHORITIES OF ISLAMIC COUNTRIES

(“Statute”)

Amendment of 2016

#### **Preamble**

The Association of Tax Authorities of Islamic Countries was established pursuant signing of the ATAIC Guiding Principles in Putrajaya, Malaysia in the sideline of the 10th Summit of the Organization of Islamic Cooperation (OIC) on 15 October 2003.

The ATAIC aims to support the development of tax administrations and Islamic taxes by focusing on Zakat in Islamic countries to encounter the challenges / changes as well as updating tax policies and legislation besides promoting cooperation between Member Countries in order to build better capacities for the staff of tax administrations;

Responding to the desire of ATAIC members in support of the goals and principles of the Association, ATAIC Heads of Delegations meeting in the 6th Technical Conference, which was held in Sudan, passed ATAIC’s statute. To implement the decisions of the meeting of heads of delegations in the 12<sup>th</sup> Technical Conference, which was held in Qatar for amendments to the Statute, the heads of delegations Meeting at the Technical Conference issued the following Statute:

#### **Article 1**

##### **Title & Commencement**

This Statute is cited as “ the THE ASSOCIATION OF TAX AUTHORITIES OF ISLAMIC COUNTRIES” and shall come into force as of its passing by the Heads of Delegations Meeting “

#### **Article 2**

##### **Definitions**

The expressions set forth in this Statute shall have their respective meanings:

'Association' means the Association of Tax Authorities of Islamic Countries (also known as "ATAIC").

"Heads of Delegations Meeting' means the Meeting of Heads of Delegations held in conjunction with the annual Technical Conference.

'Member Countries' means 'Full Members' and 'Associate Members' of the Association and is considered as the general assembly. .

'Permanent Secretariat' means the Secretariat General of the Association.

"Secretary General" means Secretary General of ATAIC.

"Secretariat" means Secretariat of ATAIC Secretary General.

"Plans & Programs Department" means the department concerned with developing ATAIC plans and programs.

"Department of Information, Studies & Researches: means ATAIC department for data collection and conducting of studies and researches for ATAIC.

"Operations Department" means ATAIC department concerned with management of financial, administrative, legal and protocol Affairs.

"Chairman" means the authorized chair of the technical conference/ Director General of Taxation Administration or any high authority in the member country hosting the annual technical conference.

'Technical Conference' means the annual Technical Conference of Member Countries.

Full Members" mean members of the Organization of Islamic Cooperation Countries.

"Tripartite Presidential Mechanism: means the conference current chairman, its former chairman and the chairman of the upcoming conference.

### **Article 3**

#### **Purposes and Objectives**

ATAIC is keen to achieve the following objectives:

1. Provide a forum to discuss, deliberate, share experiences and facilitate the development and improvement of tax and/or zakat policies and administrations in all their aspects within Member Countries;

2. Foster mutual cooperation and assistance among the Tax Authorities in Member and Associate Member Countries and provide a forum for the exchange of experiences and best practices among Members;
3. Recognize the important role of tax and zakat administration in the promotion of economic development.
4. The Association may set up other objectives as may be decided by the Heads of Delegations Meeting.

#### **Article 4** **Activities**

The activities of the Association shall include:

- a. Organizing and convening Technical Conferences in tax and/or zakat related issues for the exchange of ideas and experiences. The Technical Conference is to be held on a rotation basis among members;
- b. Organizing seminars, workshops and training courses on aspects of tax and/or zakat administration related issues;
- c. Collecting, analyzing and disseminating legislative and administrative information on tax and/or zakat;
- d. Providing direct technical assistance or collaborating with bilateral and multilateral agencies and generally facilitating work that provides research facilities in the field of tax and/or zakat administration;
- e. Carrying out functions related to overall improvement of the capabilities of tax and/or zakat administration through functional cooperation between and among Member Countries;

- f. Keeping abreast with all Member Countries as well as with activities of regional tax associations;
- g. Creating mechanisms to coordinate and cooperate with related international tax organizations in order to benefit from their experiences in international taxation;
- h. Exchange of visits and expertise among Member Countries to develop and improve the efficiency of the administration of tax organizations; and
- i. Conducting research and studies in the field of tax systems and policies as well as tax administration and disseminate the relevant outcomes to Member Countries.

2- The Member Countries hereby agree that the Association shall not express any political opinions; adopt any resolutions or make any public announcements concerning the tax policies of any country.

## **Article 5**

### **Membership Provisions**

Membership of the Association is open to all member countries of the Organization of Islamic Conference (OIC) and non-OIC countries by submission of an official letter from the membership applicant country to the Heads of Delegations Meeting for approval.

The Association shall consist of:

- 1) Full Members;
- 2) Associate Members;
- 3) Observers; and
- 4) Special Guests

#### **1) Full Members:**

- a. Full Members are OIC countries that have signed the Guiding Principles of ATAIC on October 15th 2003, as well as those OIC countries that are admitted as 'Full Members' by way of official application submitted by

- them and approved during any of the annual Heads of Delegations Meetings.
- b. The Full Member has a right to vote on decisions in the Heads of Delegations Meetings.

**2. Associate Members:**

- a. Associate Members are non-OIC countries, organizations and associations that are admitted upon an official application submitted by them and approved during any of the annual Heads of Delegations Meetings.
- b. The Associate Members shall participate in the Association meetings upon invitation from the Chairman. They are entitled to make observations and participate in the discussions of the Technical Conference, as well as in the administrative sessions of the Heads of Delegations Meetings through their representatives. They have the right to speak but are not entitled to vote on decisions in the Heads of Delegations Meetings.

**3. Observers:**

Representatives from countries which are not Full Members or Associate Members that are invited to attend the Technical Conferences or special events of the Association. They have the right to speak but are not entitled to vote on decisions in the Heads of Delegations Meetings.

**3. Special Guests:**

Individuals and organizations that are invited to attend the Technical Conferences or special events of the Association.

**Article 6**

**Bodies of the Association**

The Association shall consist of the following bodies:

1. The of Delegations Meeting (General Assembly)
2. Permanent Secretariat

3. Chairmanship of the Technical Conference
4. The Tripartite Presidential Mechanism

According to the following details:

**Heads of Delegations Meeting:**

**1. Composition:**

- a) Any full or associate member shall appoint a high rank employee from his tax administration to be the head of the delegation and an official representative for the Heads of Delegations Meeting.
- b) Full-members shall hold an annual meeting for the heads of delegation on alternate basis in conjunction with the Country hosting the Technical Conference.
- c) The Association's Heads of Delegations Meeting shall be considered as the supreme body and the general assembly of the Association and supervises all its activities.

**Functions and duties of the Heads of Delegations Meeting are to:**

- a) Determine the establishment of a Permanent Secretariat when all necessary conditions are met and to determine the member country where the Permanent Secretariat shall be set up;
- b) Appoint the Secretary General of the Association upon the establishment of the Permanent Secretariat and determine the remuneration and other terms and conditions of employment of the Secretary General and his staff;
- c) Decide on applications for membership of the Association;
- d) Review the annual financial reports submitted by the Permanent Secretariat;
- e) Approve the budget of the following year submitted by the Permanent Secretariat as well as the reports of the activities carried out during the year;

- f) Decide on the amount of annual subscriptions for Full Members and Associate Members;
- g) Appoint an external auditor to certify the annual accounts of the Association;
- h) Determine the country hosting the upcoming Technical Conference and Heads of Delegations Meeting based on the proposals submitted by the Member Countries, on a rotation basis;
- i) Determine the date and discussion topics of the parallel working group sessions for the next Technical Conferences provided that the first topic of discussion should be chosen by the host country;
- j) Approve the selection of the Chairpersons and Rapporteurs for each parallel working group sessions and the Agenda and Programme of the Technical Conference.

### **3. Heads of Delegations Meeting:**

- a) A validly constituted quorum will exist when there are representatives present from at least one half of the attending Full Member Countries;
- b) Decisions at the Heads of Delegations Meeting will normally be taken by a consensus. If consensus cannot be obtained, decisions shall be taken by a two-thirds majority of those members present and voting. Each Full Member shall have one vote.
- c) The decisions and recommendation of Heads of Delegations Meeting, shall be approved by the signature of the ATAIC Chairman and Secretary General of current Technical Conference

## **2. Permanent Secretariat**

### **1. Establishment**

The Permanent Secretariat shall be established as and its Office shall be in a full member Country and may be shifted to any other Full Member

country, in emergency cases considered by the Heads of Delegations Meeting upon decision of a quorum of two thirds.

## **2. Office of the Permanent Secretariat**

The Office of the Permanent Secretariat consists of:

- a. Secretary General
- b. Secretarial Staff
- c. Department of Plans & Programmers
- d. Department of Information, Studies and Researches
- e. Department of Operations

### **a. Secretary General**

- 1- The Secretary General shall head the Permanent Secretariat and be the Chief Administrative Officer of the Association.
- 2- The Secretary General shall be appointed by the Heads of Delegations Meeting for a period of 3 (three) years and be designated among nationals of the Full Members and may be extended to another period/ periods.
- 3- The Secretary General is entitled to choice his staff to help him from full member Countries nationals.

### **b. Duties of the Secretary General**

- a. The Secretary General shall have such duties as may be assigned to him and shall manage the activities of the Association in accordance with the approved plans.
- b. Without prejudice to what is set forth in item (a) above the Secretary General shall have the following duties:
  1. Following up the execution of the Heads of Delegations Meeting decisions;
  2. Performing the technical and administrative functions of the Association, as well as those entrusted to him by the Heads of Delegations Meeting or the Chairman of the Association;



3. Preparing and circulating the necessary documents and the agenda of the Heads of Delegations Meeting, and coordinating with the Conference Secretariat of the host country;
4. Proposing the annual budget of the Association to the Heads of Delegations Meeting for decision;
5. Administering the budget of the Association under the supervision of the Chairman of the Association and submitting the financial report to the Heads of Delegations Meeting, including audited annual accounts for the year under review;
6. Reporting to the Heads of Delegations Meeting the activities undertaken by the Association since the preceding meeting;
7. Keeping records of the Association.
8. Full coordination with the Headquarters Country in all the Association's activities.
9. Preparing final accounts of the current financial year.
10. Preparing financial and administrative system which steer the Association's work as well as preparing the publications of the Association and publishing them in coordination with the Secretary General.
11. Appointing necessary staff for the Association and considering their disciplinary measures, suspension and dismissal.
12. Seeking the assistance of experts and legal staff he deems appropriate.

**(c) Terms & Conditions of Selecting the Secretary General**

The Secretary General must meet the following conditions:

- (A) To be a full member country national.
- (B) He must have a university degree in a science relevant to tax or zakat. Science.
- (C) He must not be under the age of thirty-five years.
- (D) He must have practiced tax / zakat for a period of not less than ten years after obtaining the degree.
- (E) He must be of good reputation and has never been convicted of a crime indecency or dishonesty.

(F) He must be nominated by national tax authorities and recommended by the government to which he belongs with a written letter to be deposited to the Permanent Secretariat two months from the date of the election. The Permanent Secretariat must distribute it to the Member Countries at least one month before the date of the election.

**d. Vacancy of the Secretary General Post**

(1) The post of the Secretary General shall fall vacant in the following cases:

(A) The expiry of term of office.

(B) Death,

(C) Mental illness or physical disability.

(D) Dismissal in accordance with the provisions of this Statute.

(E) Submission of his resignation and its acceptance by the heads of delegations meeting.

(2) In the event of the vacancy of the secretary general post, the same procedures shall be taken when appointing a new Secretary General.

**(4) Technical Conference Chairmanship:**

A) The Country hosting ATAIC Technical Conference shall assume the chairmanship of the Association until handed over to the Country with full membership to host the upcoming Annual Technical Conference ;

B) The Chairperson shall form a secretarial staff appointed to facilitate the preparation and process of the Technical Conference. The Chairman or any person appointed by him shall head the chairmanship of secretarial work of the Conference.

C) The Chairman, in coordination with the Secretary General shall communicate the full member Countries in respect of invitations of observers and special guests attending the upcoming technical conference or special events of the Association after receiving proposals from the host country.

D) The Chairman shall have a supervisory responsibility for:

1. Monitoring the implementation of the decisions of the heads of delegations meeting in coordination with the Secretary General;

2. Carrying out the overall coordination of the Association's relations as well as the tasks entrusted to him by the heads of delegations meeting.

3. Preparation of the necessary documentation and the agenda for the technical

conference business for the meeting of heads of delegations in coordination with the Secretary General;

4. Following up keeping of records and documents in the Permanent Secretariat except those related to the Country of the conference.

5. Preparing documents and recommendations of the heads of delegations meeting as well as approval, dissemination, and call for meetings and other events, in coordination with the secretary General.

#### **(4) The Tripartite Chairmanship Mechanism:**

To give the Association a bit of dynamism and flexibility to cope with what may occur to the scene of the circumstances or developments, a Tripartite Chairmanship Mechanism shall be formed as follows:

1. The Tripartite Chairmanship Mechanism shall be composed of the current chairman of the Conference and its former chairman and the chairman of the upcoming conference in coordination with the Secretary General. This Tripartite Chairmanship Mechanism may suggest what it considers as achieving the interests and objectives of the Association.

2. The Tripartite Chairmanship Mechanism, in agreement of its members may carry out contacts with international bodies in order to explain the positions of the Association or strengthen its international links and status, as well as delegating a member of the Permanent Secretariat or the Secretary General for this purpose.

3. The Tripartite Chairmanship Mechanism, in emergency cases and in agreement of its members, after conducting the necessary consultations to the extent of possibility may issue an urgent statement in any matter of urgent nature in conformity with the objectives and principles of the Association in line with the Association's decisions and firm positions.

4. The Permanent Secretariat shall prepare the reports of the Tripartite Chairmanship Mechanism work and forward their decisions to the members of the Association within two weeks from the date of issuance.

**Article 7**  
**Immunities and privileges**

- 1) The Association's representatives in the Member States shall enjoy immunities and privileges established by the Organization of Islamic Cooperation Convention for the exercise of its functions and achievement of its objectives.
- 2) Representatives of member states and staff of the Association shall enjoy immunities and privileges set forth in the privileges and immunities for the year 1967 Agreement.
- 3) The Association's officials, subsidiary organs and specialized institutions shall enjoy the privileges and necessary immunities to perform their duties and according to what is agreed upon between the Association and the Headquarters Country.
- 4) The Secretary General, after consultation with the tripartite mechanism staff, shall lift the immunity off the Association and its property, assets and documents in all cases where it considers that immunity may prevent the achievement of justice.

**Article 8**  
**Exemptions**

- (1) The Association enjoys the following financial exemptions:
  - (A) Customs duties on all needs and work aids of the Association of any kind imported from abroad, according to the organizing controls determined by the Headquarters Country.
  - (B) All taxes and fees except for public services or fees imposed on those dealing with the Association shall be in accordance to what is regulated by the laws of the Headquarters Country.
  - (C) The residence permit, entry and exit visas fees shall be for the staff of the Association their families, experts and guests invited to attend its meetings and who assign them with any official work related his activities.

Article 9  
Finance and Budget

**1. Funding of The Association**

The funds of the Association shall comprise:

- a. Annual membership subscriptions which amount may from time to time be determined by the Heads of Delegations Meeting. The subscriptions shall be made upon the setting up of the Association's Permanent Secretariat;
- b. Voluntary contributions from Member Countries in addition to their annual membership subscriptions;
- c. Grants, subsidies, contributions and other funds either from any foundations or international agencies or other bodies and other forms of income of the Association as the Heads of Delegations Meetings shall approve.

**2. The Funding of the Technical Conference**

a- The host country of the Technical Conference shall bear the cost of internal logistics whereas the costs of airfare and accommodation shall be borne by the participating Member Countries.

**3. The Financial Year**

The financial year of the Association shall start on the 1st of January and ends on the 31st of December.

**4. Custody of Funds and Budget**

- a. The Secretariat General upon a recommendation by the Heads of Delegations Meeting shall open and maintain in the name of the Association a banking account at such bank as it may determine and shall pay all the funds of the Association into that account, or place the same on deposit with a banker.

- b. The Heads of Delegations Meeting shall determine the authorized person(s) in relation to the operation and maintenance of the Association's bank accounts.

#### **5. Expenditure of the Funds**

- a. The Permanent Secretariat is not authorized to enter into any contract, involving expenditure of the funds of the Association, other than for the authorized expenditure, without the prior written approval of the Heads of Delegations Meeting.
- b. The Association's funds must not be spent except for the Association's purposes

#### **Audit of The Association's Budget**

- a. The Association's accounts shall be audited by a certified legal auditor to be outsourced by the Secretariat General.
- b. The audited
- c. Association's budget shall be approved by the Heads of Delegations Meeting.

### **Article 10**

#### **Settlement of Disputes**

Any dispute that may arise in the interpretation or implementation of ATAIC Statute shall be settled amicably by the Heads of Delegations Meeting.

### **Article 11**

#### **Final Provisions**

1. Any Full Member may propose amendments to the Statute of the Association by notifying the Secretariat General for submission to the Heads of Delegations Meeting for decision.
2. Any ATAIC full membership country is entitled to withdraw from the Association with a notice addressed to the Permanent Secretariat enough time before its submission to the Heads of Delegations Meeting for approval.

3. The Country which wishes to withdraw must meet its financial obligations until the end of the financial year in which it applies for withdrawal and pay all other financial obligations owed to the Association.
4. Full membership Country shall lose all the rights set forth in this Statute if it breaches its financial obligations.

## **Article 12**

### **Dissolution**

The Association shall be of unlimited duration. However, it may be dissolved by more than two thirds quorum to be adopted by an extraordinary Heads of Delegations Meeting.

## **Article 13**

### **Languages**

1. The working languages of the Association are Arabic, English and French.
2. The texts of the official documents of the Association shall be in Arabic, English and French, but in the event of any discrepancies between the texts, the English text shall prevail.