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GOVERNMENT GAZETTE

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No. 17310

PRESIDENT'S OFFICE

No. 1101.

3 July 1996

It is hereby notified that the President has assented to the following Act which is hereby published for general information:—

No. 36 of 1996: Income Tax Act, 1996.

KANTOOR VAN DIE PRESIDENT

No. 1101.

3 Julie 1996

Hierby word bekend gemaak dat die President sy goedkeuring gegee het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word:—

No. 36 van 1996: Inkomstebelastingwet, 1996.

GENERAL EXPLANATORY NOTE:

[] Words in bold type in square brackets indicate omissions from existing enactments.

_____ Words underlined with a solid line indicate insertions in existing enactments.

ACT

To fix the rates of normal tax payable by persons other than companies in respect of taxable incomes for the years of assessment ending on 28 February 1997 and 30 June 1997, and by companies in respect of taxable incomes for years of assessment ending during the period of 12 months ending on 31 March 1997; to amend the Income Tax Act, 1962; to amend the Income Tax Act, 1994; to withdraw a Government Notice; to repeal certain laws; and to provide for incidental matters.

(English text signed by the President.)
(Assented to 27 June 1996.)

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Rates of normal tax

1. The rates of normal tax to be levied in terms of section 5(2) of the Income Tax Act, 1962 (Act No. 58 of 1962) (hereinafter referred to as the principal Act), in respect of— 5
 - (a) the taxable income of any person other than a company for the year of assessment ending on 28 February 1997 or 30 June 1997; and
 - (b) the taxable income of any company for any year of assessment ending during the period of 12 months ending on 31 March 1997,
 shall be as set forth in the Schedule to this Act. 10

Amendment of section 1 of Act 58 of 1962, as amended by section 3 of Act 90 of 1962, section 1 of Act 6 of 1963, section 4 of Act 72 of 1963, section 4 of Act 90 of 1964, section 5 of Act 88 of 1965, section 5 of Act 55 of 1966, section 5 of Act 95 of 1967, section 5 of Act 76 of 1968, section 6 of Act 89 of 1969, section 6 of Act 52 of 1970, section 4 of Act 88 of 1971, section 4 of Act 90 of 1972, section 4 of Act 65 of 1973, section 4 of Act 85 of 1974, section 4 of Act 69 of 1975, section 4 of Act 103 of 1976, section 4 of Act 113 of 1977, section 3 of Act 101 of 1978, section 3 of Act 104 of 1979, section 2 of Act 104 of 1980, section 2 of Act 96 of 1981, section 3 of Act 91 of 1982, section 2 of Act 94 of 1983, section 1 of Act 30 of 1984, section 2 of Act 121 of 1984, section 2 of Act 96 of 1985, section 2 of Act 65 of 1986, section 1 of Act 108 20

ALGEMENE VERDUIDELIKENDE NOTA:

[] Woorde in vet druk tussen vierkantige hake dui skrappings uit bestaande verordenings aan.

_____ Woorde met 'n volstreep daaronder, dui invoegings in bestaande verordenings aan.

WET

Tot vasstelling van die skale van normale belasting betaalbaar deur ander persone as maatskappye ten opsigte van belasbare inkomstes vir die jare van aanslag eindigende op 28 Februarie 1997 en 30 Junie 1997, en deur maatskappye ten opsigte van belasbare inkomstes vir jare van aanslag wat eindig gedurende die tydperk van 12 maande eindigende op 31 Maart 1997; tot wysiging van die Inkomstebelastingwet, 1962; tot wysiging van die Inkomstebelastingwet, 1994; om 'n Goewermentskennisgewing in te trek; om sekere wette te herroep; en om vir bykomstige aangeleenthede voorsiening te maak.

(Engelse teks deur die President geteken.)
(Goedgekeur op 27 Junie 1996.)

DAAR WORD BEPAAL deur die Parlement van die Republiek van Suid-Afrika, soos volg:—

Skale van normale belasting

1. Die skale van normale belasting wat ingevolge artikel 5(2) van die Inkomstebelastingwet, 1962 (Wet No. 58 van 1962) (hieronder die Hoofwet genoem), gehef moet word ten opsigte van—

- 5 (a) die belasbare inkomste van 'n ander persoon as 'n maatskappy vir die jaar van aanslag eindigende op 28 Februarie 1997 of 30 Junie 1997; en
 (b) die belasbare inkomste van 'n maatskappy vir 'n jaar van aanslag wat eindig gedurende die tydperk van 12 maande eindigende op 31 Maart 1997,

is soos uiteengesit in die Bylae by hierdie Wet.

- 10 Wysiging van artikel 1 van Wet 58 van 1962, soos gewysig deur artikel 3 van Wet 90 van 1962, artikel 1 van Wet 6 van 1963, artikel 4 van Wet 72 van 1963, artikel 4 van Wet 90 van 1964, artikel 5 van Wet 88 van 1965, artikel 5 van Wet 55 van 1966, artikel 5 van Wet 95 van 1967, artikel 5 van Wet 76 van 1968, artikel 6 van Wet 89 van 1969, artikel 6 van Wet 52 van 1970, artikel 4 van Wet 88 van 1971,
 15 artikel 4 van Wet 90 van 1972, artikel 4 van Wet 65 van 1973, artikel 4 van Wet 85 van 1974, artikel 4 van Wet 69 van 1975, artikel 4 van Wet 103 van 1976, artikel 4 van Wet 113 van 1977, artikel 3 van Wet 101 van 1978, artikel 3 van Wet 104 van 1979, artikel 2 van Wet 104 van 1980, artikel 2 van Wet 96 van 1981, artikel 3 van Wet 91 van 1982, artikel 2 van Wet 94 van 1983, artikel 1 van Wet 30 van 1984,
 20 artikel 2 van Wet 121 van 1984, artikel 2 van Wet 96 van 1985, artikel 2 van Wet 65 van 1986, artikel 1 van Wet 108 van 1986, artikel 2 van Wet 85 van 1987, artikel

of 1986, section 2 of Act 85 of 1987, section 2 of Act 90 of 1988, section 1 of Act 99 of 1988, Government Notice No. R.780 of 14 April 1989, section 2 of Act 70 of 1989, section 2 of Act 101 of 1990, section 2 of Act 129 of 1991, section 2 of Act 141 of 1992, section 2 of Act 113 of 1993, section 2 of Act 21 of 1994 and section 2 of Act 21 of 1995

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2. Section 1 of the principal Act is hereby amended—

- (a) by the insertion after the definition of “capitalisation shares” of the following definition:

“‘Chief Executive Officer’ means the Director-General: South African Revenue Service;”;

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- (b) by the substitution for the definition of “hotel keeper” of the following definition:

“‘hotel keeper’ means any person carrying on the business of hotel keeper or boarding or lodging house keeper where meals and sleeping accommodation are supplied to others for money or its equivalent; **[if the gross receipts from that business during the year of assessment were in excess of two thousand rand, and includes any person carrying on such business the gross receipts from which during the year of assessment were not in excess of two thousand rand by reason of the fact that the building in which the business is carried on has been in the course of erection or extensively renovated or because of circumstances beyond such person’s control, if the Commissioner is satisfied that during the immediately succeeding year of assessment or such further period as he may for good reason allow, the gross receipts from that business will be or could be expected to be in excess of two thousand rand per annum]**”;

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- (c) by the substitution for the definition of “neighbouring country” of the following definition:

“‘neighbouring country’ means **[the territory]** Botswana, Lesotho, Namibia and Swaziland; **[and any country the territory of which formerly formed part of the Republic]**”; and

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- (d) by the substitution for the definition of “South African company” of the following definition:

“‘South African company’ means any association, corporation, company or body corporate referred to in paragraph (a) or (f) of the definition of ‘company’ in this section or any association referred to in paragraph (d) of that definition or any unit portfolio referred to in paragraph (e) of that definition; **[but does not include any company whose registered office is in a country which formerly formed part of the Republic nor any company formed, established or incorporated under the law of such country after it obtained its independence from the Republic]**”.

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Amendment of section 4 of Act 58 of 1962, as amended by section 6 of Act 55 of 1966, section 4 of Act 104 of 1979, section 32 of Act 104 of 1980, section 3 of Act 96 of 1981, section 3 of Act 85 of 1987, section 3 of Act 70 of 1989 and section 4 of Act 21 of 1994

3. Section 4 of the principal Act is hereby amended—

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- (a) by the addition to the proviso to subsection (1) of the following paragraph:

“(c) the Chief Executive Officer shall in the performance of his duties as Chief Executive Officer, have access to information and documents in the possession or custody of the Commissioner.”;

- (b) by the insertion after subsection (1A) of the following subsection:

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“(1B) The Chief Executive Officer shall preserve and aid in preserving secrecy with regard to all matters that may come to his knowledge in the performance of his duties as Chief Executive Officer, and shall not communicate any such matter to any person whatsoever other than the taxpayer concerned or his lawful representative nor suffer or permit any such person to have access to any records in the possession or custody of the

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2 van Wet 90 van 1988, artikel 1 van Wet 99 van 1988, Goewermentskennisgewing No. R.780 van 14 April 1989, artikel 2 van Wet 70 van 1989, artikel 2 van Wet 101 van 1990, artikel 2 van Wet 129 van 1991, artikel 2 van Wet 141 van 1992, artikel 2 van Wet 113 van 1993, artikel 2 van Wet 21 van 1994 en artikel 2 van Wet 21 van 1995

2. Artikel 1 van die Hoofwet word hierby gewysig—

(a) deur die omskrywing van “buurstaat” deur die volgende omskrywing te vervang:

“‘buurstaat’ [die gebied] Botswana, Lesotho, Namibië en Swaziland; [en enige land waarvan die gebied voorheen deel van die Republiek uitgemaak het]”;

(b) deur die volgende omskrywing na die omskrywing van “hierdie Wet” in te voeg:

“‘Hoof- Uitvoerende Beampte’ die Direkteur-generaal: Suid-Afrikaanse Inkomste Diens;”;

(c) deur die omskrywing van “hotelhouer” deur die volgende omskrywing te vervang:

“‘hotelhouer’ iemand wat die besigheid van hotelhouer of koshuis- of losieshuishouer dryf, waar maaltye en slaapplek aan ander verskaf word teen betaling van geld of wat daarmee gelykstaan; [indien die bruto ontvangste uit daardie besigheid gedurende die jaar van aanslag meer as tweeduisend rand bedra het, en ook ’n persoon wat so ’n besigheid dryf waaruit die bruto ontvangste gedurende die jaar van aanslag nie meer as tweeduisend rand bedra het nie uit hoofde van die feit dat die gebou waarin die besigheid gedryf word in aanbou was of uitgebreide herstelwerk ondergaan het of weens omstandighede buite daardie persoon se beheer, indien die Kommissaris daarvan oortuig is dat gedurende die onmiddellik daaropvolgende jaar van aanslag of so ’n verdere tydperk as wat hy om grondige redes mag toelaat, die bruto ontvangste van daardie besigheid meer as tweeduisend rand per jaar sal bedra of na verwagting meer sal bedra]”; en

(d) deur die omskrywing van “Suid-Afrikaanse maatskappy” deur die volgende omskrywing te vervang:

“‘Suid-Afrikaanse maatskappy’ ’n vereniging, korporasie, maatskappy of regspersoon bedoel in paragraaf (a) of (f) van die omskrywing van ‘maatskappy’ in hierdie artikel of ’n vereniging bedoel in paragraaf (d) van daardie omskrywing of ’n effektegroepe bedoel in paragraaf (e) van daardie omskrywing; [maar nie ook ’n maatskappy nie wie se geregistreerde kantoor in ’n land is wat voorheen deel van die Republiek uitgemaak het of ’n maatskappy wat ingevolge die reg van daardie land opgerig, ingestel of ingelyf is nadat hy sy onafhanklikheid van die Republiek verkry het]”.

Wysiging van artikel 4 van Wet 58 van 1962, soos gewysig deur artikel 6 van Wet 55 van 1966, artikel 4 van Wet 104 van 1979, artikel 32 van Wet 104 van 1980, artikel 3 van Wet 96 van 1981, artikel 3 van Wet 85 van 1987, artikel 3 van Wet 70 van 1989 en artikel 4 van Wet 21 van 1994

3. Artikel 4 van die Hoofwet word hierby gewysig—

(a) deur die volgende paragraaf by die voorbehoudsbepaling by subartikel (1) te voeg:

“(c) die Hoof- Uitvoerende Beampte by die vervulling van sy pligte as Hoof- Uitvoerende Beampte, tot inligting en dokumente in die besit of bewaring van die Kommissaris toegang het.”;

(b) deur na subartikel (1A) die volgende subartikel in te voeg:

“(1B) Die Hoof- Uitvoerende Beampte moet ten aansien van alle sake wat by die vervulling van sy pligte as Hoof- Uitvoerende Beampte tot sy kennis kom, geheimhouding bewaar en help bewaar, en mag nie so ’n saak aan wie ook al behalwe die betrokke belastingpligtige of sy wettige verteenwoordiger meedeel nie, of so iemand toelaat of veroorloof om toegang te verkry tot stukke wat in die besit of onder die bewaring van die Kommissaris is nie,

Commissioner, except in the performance of his duties as Chief Executive Officer or by order of a competent court.”;

- (c) by the substitution for paragraph (a) of subsection (2) of the following paragraph:

“(a) Every person so employed and the Chief Executive Officer shall, before acting under this Act, take and subscribe before a magistrate or justice of the peace or an officer of the [Directorate: Inland Revenue, Department of Finance] South African Revenue Service who is a commissioner of oaths, such oath or solemn declaration, as the case may be, of fidelity or secrecy as may be prescribed.”;

- (d) by the substitution for subsection (3) of the following subsection:

“(3) Any person who contravenes the provisions of subsection (1), (1A), (1B) or (2A) shall be guilty of an offence and liable on conviction to a fine not exceeding R5 000 or to imprisonment for a period not exceeding two years or to both such fine and such imprisonment.”; and

- (e) by the substitution for subsection (4) of the following subsection:

“(4) Any person who acts in the execution of his office before he has taken the prescribed oath or solemn declaration shall be guilty of an offence and liable on conviction to a fine not exceeding R50.”.

Amendment of section 6 of Act 58 of 1962, as inserted by section 5 of Act 104 of 1980 and amended by section 5 of Act 96 of 1981, section 5 of Act 91 of 1982, section 4 of Act 94 of 1983, section 4 of Act 121 of 1984, section 3 of Act 96 of 1985, section 4 of Act 85 of 1987, section 4 of Act 90 of 1988, section 4 of Act 70 of 1989, section 3 of Act 101 of 1990, section 4 of Act 129 of 1991, section 4 of Act 141 of 1992 and section 5 of Act 21 of 1995

4. Section 6 of the principal Act is hereby amended by the substitution for the expression “R2 625” in paragraph (a) of subsection (2) of the expression “R2 660”.

Amendment of section 7A of Act 58 of 1962, as inserted by section 6 of Act 69 of 1975 and amended by section 7 of Act 103 of 1976, section 6 of Act 96 of 1981, section 4 of Act 65 of 1986, section 8 of Act 129 of 1991, section 3 of Act 113 of 1993 and section 7 of Act 21 of 1995

5. Section 7A of the principal Act is hereby amended by the deletion of subsection (5).

Amendment of section 8 of Act 58 of 1962, as amended by section 6 of Act 90 of 1962, section 6 of Act 90 of 1964, section 9 of Act 88 of 1965, section 10 of Act 55 of 1966, section 10 of Act 89 of 1969, section 6 of Act 90 of 1972, section 8 of Act 85 of 1974, section 7 of Act 69 of 1975, section 7 of Act 113 of 1977, section 8 of Act 94 of 1983, section 5 of Act 121 of 1984, section 4 of Act 96 of 1985, section 5 of Act 65 of 1986, section 6 of Act 85 of 1987, section 6 of Act 90 of 1988, section 5 of Act 101 of 1990, section 9 of Act 129 of 1991, section 6 of Act 141 of 1992, section 4 of Act 113 of 1993, section 6 of Act 21 of 1994 and section 8 of Act 21 of 1995

6. (1) Section 8 of the principal Act is hereby amended—

- (a) by the insertion after paragraph (dA) of subsection (4) of the following paragraph:

“(dB) For the purposes of paragraph (a), where any company which is or was a parent company contemplated in paragraph (b) of the definition of ‘South African ship’ in section 14(2) has—

- (i) exercised the election in terms of section 14(1D) in relation to any other company which is or was a subsidiary company contemplated in the last-mentioned paragraph; and

(ii) sold or disposed of in any other manner any shares held in such other company during any year of assessment, such company shall be deemed to have recovered or recouped during such year of assessment an amount equal to the lesser of—

- (aa) the total of all amounts allowed to be deducted or set off under the provisions of sections 11(o), 12C and 14, whether in such or any previous year of assessment, in the determination of such company’s taxable income in respect of any ship owned by such other company, at the date of sale or disposal of such shares; and

behalwe by die vervulling van sy pligte as Hoof- Uitvoerende Beampte of op bevel van 'n bevoegde geregshof.”;

(c) deur paragraaf (a) van subartikel (2) deur die volgende paragraaf te vervang:

5 “(a) Iedereen wat aldus in diens geneem is en die Hoof- Uitvoerende Beampte moet, voordat hy ingevolge hierdie Wet optree, 'n eed of plegtige verklaring, na gelang van die geval, van getrouheid of geheimhouding wat voorgeskryf word, voor 'n landdros of vrederegter of 'n amptenaar van die [Direktoraat: Binnelandse Inkomste, Departement van Finansies] Suid-Afrikaanse Inkomste Diens wat 'n kommissaris van ede is, aflê en onderteken.”;

(d) deur subartikel (3) deur die volgende subartikel te vervang:

15 “(3) Iemand wat die bepalings van subartikel (1), (1A), (1B) of (2A) oortree, is aan 'n misdryf skuldig en by skuldigbevinding strafbaar met 'n boete van hoogstens R5 000 of gevangenisstraf vir 'n tydperk van hoogstens twee jaar of met sodanige boete sowel as sodanige gevangenisstraf.”; en

(e) deur subartikel (4) deur die volgende subartikel te vervang:

20 “(4) Iemand wat by die uitoefening van sy amp optree voordat hy die voorgeskrewe eed of plegtige verklaring afgelê het, is aan 'n misdryf skuldig en by skuldigbevinding strafbaar met 'n boete van hoogstens R50.”.

20 Wysiging van artikel 6 van Wet 58 van 1962, soos ingevoeg deur artikel 5 van Wet 104 van 1980 en gewysig deur artikel 5 van Wet 96 van 1981, artikel 5 van Wet 91 van 1982, artikel 4 van Wet 94 van 1983, artikel 4 van Wet 121 van 1984, artikel 3 van Wet 96 van 1985, artikel 4 van Wet 85 van 1987, artikel 4 van Wet 90 van 1988, artikel 4 van Wet 70 van 1989, artikel 3 van Wet 101 van 1990, artikel 4 van 25 Wet 129 van 1991, artikel 4 van Wet 141 van 1992 en artikel 5 van Wet 21 van 1995

4. Artikel 6 van die Hoofwet word hierby gewysig deur die uitdrukking “R2 625” in paragraaf (a) van subartikel (2) deur die uitdrukking “R2 660” te vervang.

30 Wysiging van artikel 7A van Wet 58 van 1962, soos ingevoeg deur artikel 6 van Wet 69 van 1975 en gewysig deur artikel 7 van Wet 103 van 1976, artikel 6 van Wet 96 van 1981, artikel 4 van Wet 65 van 1986, artikel 8 van Wet 129 van 1991, artikel 3 van Wet 113 van 1993 en artikel 7 van Wet 21 van 1995

5. Artikel 7A van die Hoofwet word hierby gewysig deur subartikel (5) te skrap.

35 Wysiging van artikel 8 van Wet 58 van 1962, soos gewysig deur artikel 6 van Wet 90 van 1962, artikel 6 van Wet 90 van 1964, artikel 9 van Wet 88 van 1965, artikel 10 van Wet 55 van 1966, artikel 10 van Wet 89 van 1969, artikel 6 van Wet 90 van 1972, artikel 8 van Wet 85 van 1974, artikel 7 van Wet 69 van 1975, artikel 7 van Wet 113 van 1977, artikel 8 van Wet 94 van 1983, artikel 5 van Wet 121 van 1984, artikel 4 van Wet 96 van 1985, artikel 5 van Wet 65 van 1986, artikel 6 van Wet 85 van 1987, artikel 6 van Wet 90 van 1988, artikel 5 van Wet 101 van 1990, artikel 40 9 van Wet 129 van 1991, artikel 6 van Wet 141 van 1992, artikel 4 van Wet 113 van 1993, artikel 6 van Wet 21 van 1994 en artikel 8 van Wet 21 van 1995

6. (1) Artikel 8 van die Hoofwet word hierby gewysig—

(a) deur die volgende paragraaf na paragraaf (dA) van subartikel (4) in te voeg:

45 “(dB) By die toepassing van paragraaf (a), waar 'n maatskappy wat 'n moedermaatskappy is of was soos beoog in paragraaf (b) van die omskrywing van ‘Suid-Afrikaanse skip’ in artikel 14(2)—

50 (i) die keuse ingevolge artikel 14(1D) uitgeoefen het met betrekking tot 'n ander maatskappy wat 'n filiaalmaatskappy is of was soos beoog in laasgenoemde paragraaf; en

(ii) enige aandele van bedoelde ander maatskappy gedurende 'n jaar van aanslag verkoop of op ander wyse vervreem het,

word bedoelde maatskappy geag 'n bedrag gelyk aan die minste van—

55 (aa) die totaal van alle bedrae wat ingevolge die bepalings van artikels 11(o), 12C en 14 by die vasstelling van die belasbare inkomste van bedoelde maatskappy toegelaat is, hetsy in bedoelde of 'n vorige jaar van aanslag, om afgetrek of verreken te word ten opsigte van 'n skip wat deur bedoelde ander maatskappy, op die datum van verkoop of vervreemding van bedoelde aandele, besit word; en

(bb) the market value of such ship as at the date of sale or disposal of such shares.”; and

(b) by the addition to subsection (4) of the following paragraph:

“(l) For the purposes of paragraph (a), where—

- (i) any person was entitled to a deduction in respect of any interest or related finance charges (including a discount or premium), which was incurred or deemed to have been incurred by such person in relation to any financial arrangement during any year of assessment and such interest or related finance charges were allowed as a deduction in terms of the provisions of this Act during such year of assessment in the hands of such person; 5
 - (ii) such person has transferred such financial arrangement during any year of assessment to any other person; and
 - (iii) any obligation or part thereof in respect of such interest or related finance charges which such person is legally liable to pay has, as a result of such transfer, been transferred to such other person, 10
- such person shall be deemed to have recovered or recouped an amount equal to the amount of such obligation or part thereof so transferred during the year of assessment in which such obligation or part thereof has been so transferred.”. 15 20

(2)(a) Subsection (1)(a) shall be deemed to have come into operation on 1 June 1996 and shall apply to any shares sold or disposed of on or after that date.

(b) Subsection (1)(b) shall apply in respect of all financial arrangements transferred on or after the date of promulgation of this Act.

Amendment of section 9B of Act 58 of 1962, as inserted by section 9 of Act 101 of 1990 and amended by section 11 of Act 129 of 1991, section 9 of Act 141 of 1992 and section 6 of Act 113 of 1993 25

7. (1) Section 9B of the principal Act is hereby amended—

- (a) by the deletion of the word “and” at the end of subparagraph (ii) of paragraph (b) of subsection (1); 30
 - (b) by the addition of the word “and” at the end of paragraph (d) of subsection (1); and
 - (c) by the addition to subsection (1) of the following paragraph: 35
- “(e) where—
- (i) any share has been lent by a lender to a borrower as contemplated in the definition of ‘lending arrangement’ in section 23(1) of the Stamp Duties Act, 1968 (Act No. 77 of 1968), such share shall for the purposes of the lender be deemed not to have been disposed of by the lender; and 40
 - (ii) any other share of the same kind and of the same or equivalent quantity and quality has been returned by the borrower to the lender, such share and such other share shall be deemed to be one and the same share in the hands of the lender.”. 45

(2) Subsection (1) shall come into operation on 1 August 1996 and shall apply to any share lent in terms of a lending arrangement entered into on or after that date. 50 55

Amendment of section 10 of Act 58 of 1962, as amended by section 8 of Act 90 of 1962, section 7 of Act 72 of 1963, section 8 of Act 90 of 1964, section 10 of Act 88 of 1965, section 11 of Act 55 of 1966, section 10 of Act 95 of 1967, section 8 of Act 76 of 1968, section 13 of Act 89 of 1969, section 9 of Act 52 of 1970, section 9 of Act 88 of 1971, section 7 of Act 90 of 1972, section 7 of Act 65 of 1973, section 10 of Act 85 of 1974, section 8 of Act 69 of 1975, section 9 of Act 103 of 1976, section 8 of Act 113 of 1977, section 4 of Act 101 of 1978, section 7 of Act 104 of 1979, section 7 of Act 104 of 1980, section 8 of Act 96 of 1981, section 6 of Act 91 of 1982, section 9 of Act 94 of 1983, section 10 of Act 121 of 1984, section 6 of Act 96 of 1985, section 7 of Act 65 of 1986, section 3 of Act 108 of 1986, section 9 of Act 85 of 1987, section 7 of Act 90 50 55

(bb) die markwaarde van bedoelde skip soos op die datum van verkoop of vervreemding van bedoelde aandele, gedurende bedoelde jaar van aanslag te verhaal of vergoed het.”; en

(b) deur die volgende paragraaf by subparagraaf (4) te voeg:

5 “(l) By die toepassing van paragraaf (a), waar—

- (i) ’n persoon geregtig is op ’n aftrekking ten opsigte van enige rente of verwante finansieringskoste (met inbegrip van ’n diskonto of premie) wat deur bedoelde persoon aangegaan is of geag word aangegaan te gewees het met betrekking tot ’n finansiële reëling gedurende enige jaar van aanslag en bedoelde rente of verwante finansieringskoste as ’n aftrekking ingevolge die bepalinge van hierdie Wet gedurende bedoelde jaar van aanslag in die hande van bedoelde persoon toegelaat is;
- (ii) bedoelde persoon bedoelde finansiële reëling gedurende ’n jaar van aanslag aan ’n ander persoon oorgedra het; en
- 15 (iii) enige verpligting of deel daarvan ten opsigte van bedoelde rente of verwante finansieringskoste waarvoor bedoelde persoon wettig aanspreeklik is om te betaal, as gevolg van bedoelde oordrag, aan bedoelde ander persoon oorgedra is, word bedoelde persoon geag ’n bedrag gelyk aan die bedrag van bedoelde verpligting of deel daarvan aldus oorgedra gedurende die jaar van aanslag
- 20 waarin bedoelde verpligting of deel daarvan aldus oorgedra is, te verhaal of vergoed te gewees het.”.

(2)(a) Subartikel (1)(a) word geag op 1 Junie 1996 in werking te getree het en is van toepassing op enige aandele wat verkoop of vervreem word op of na daardie datum.

25 (b) Subartikel (1)(b) is van toepassing op alle finansiële reëlings oorgedra op of na die datum van afkondiging van hierdie Wet.

Wysiging van artikel 9B van Wet 58 van 1962, soos ingevoeg deur artikel 9 van Wet 101 van 1990 en gewysig deur artikel 11 van Wet 129 van 1991, artikel 9 van Wet 141 van 1992 en artikel 6 van Wet 113 van 1993

30 7. (1) Artikel 9B van die Hoofwet word hierby gewysig—

- (a) deur die woord “en” aan die einde van subparagraaf (ii) van paragraaf (b) van subartikel (1) te skrap;
- (b) deur die woord “en” aan die einde van paragraaf (d) van subartikel (1) by te voeg; en
- 35 (c) deur die volgende paragraaf by subartikel (1) te voeg:

- “(e) waar—
- (i) ’n aandeel deur ’n uitlener aan ’n lener uitgeleen is soos beoog in die omskrywing van ‘leningsreëling’ in artikel 23(1) van die Wet op Seëlregte, 1968 (Wet No. 77 van 1968), word bedoelde aandeel vir die doeleindes van die uitlener geag nie vervreem te gewees het deur die uitlener nie; en
- 40 (ii) ’n ander aandeel van dieselfde soort en van dieselfde of gelyke hoeveelheid en gehalte deur die lener aan die uitlener teruggegee is, word bedoelde aandeel en bedoelde ander aandeel geag een en dieselfde aandeel in die hande van die uitlener te wees.”.
- 45

(2) Subartikel (1) tree op 1 Augustus 1996 in werking en is van toepassing op enige aandeel geleen ingevolge ’n leningsreëling wat op of na daardie datum aangegaan word.

Wysiging van artikel 10 van Wet 58 van 1962, soos gewysig deur artikel 8 van Wet 90 van 1962, artikel 7 van Wet 72 van 1963, artikel 8 van Wet 90 van 1964, artikel 10 van Wet 88 van 1965, artikel 11 van Wet 55 van 1966, artikel 10 van Wet 95 van 1967, artikel 8 van Wet 76 van 1968, artikel 13 van Wet 89 van 1969, artikel 9 van Wet 52 van 1970, artikel 9 van Wet 88 van 1971, artikel 7 van Wet 90 van 1972, artikel 7 van Wet 65 van 1973, artikel 10 van Wet 85 van 1974, artikel 8 van Wet 55 van 1975, artikel 9 van Wet 103 van 1976, artikel 8 van Wet 113 van 1977, artikel 4 van Wet 101 van 1978, artikel 7 van Wet 104 van 1979, artikel 7 van Wet 104 van 1980, artikel 8 van Wet 96 van 1981, artikel 6 van Wet 91 van 1982, artikel 9 van Wet 94 van 1983, artikel 10 van Wet 121 van 1984, artikel 6 van Wet 96 van 1985, artikel 7 van Wet 65 van 1986, artikel 3 van Wet 108 van 1986, artikel 9 van Wet 85 van 1987, artikel 7 van Wet 90 van 1988, artikel 36 van Wet 9 van 1989,

of 1988, section 36 of Act 9 of 1989, section 7 of Act 70 of 1989, section 10 of Act 101 of 1990, section 12 of Act 129 of 1991, section 10 of Act 141 of 1992, section 7 of Act 113 of 1993, section 4 of Act 140 of 1993, section 9 of Act 21 of 1994 and section 10 of Act 21 of 1995

8. (1) Section 10 of the principal Act is hereby amended— 5
- (a) by the substitution for item (ff) of subparagraph (i) of paragraph (cB) of subsection (1) of the following item:
- “(ff) to promote the common interests of persons (being members of such company, society or association) carrying on any particular kind of business, profession or occupation by means other than— 10
- (A) the carrying on by such company, society or association of any trading or other profit-making activities; **[or]**
- (B) the participation by such company, society or association in any business, profession or occupation carried on by any of its members; or 15
- (C) the provision to any of its members of financial assistance or of any premises or continuous services or facilities required by its members for the purpose of carrying on any business, profession or occupation.”;
- (b) by the substitution for item (aa) of subparagraph (i) of paragraph (cI) of subsection (1) of the following item: 20
- “(aa) to acquire, hold, develop or improve land or any right to land in the Republic **[or in any country the territory of which formerly formed part of the Republic]** with a view to enabling any community in the Republic, **[or such country]** of which at least 75 per cent of the adult members are persons who earn less than R1 500 per month, to acquire such land, or right thereto, so as to occupy that land wholly or mainly for residential purposes.”; 25
- (c) by the substitution for subparagraph (i) of paragraph (cK) of subsection (1) of the following subparagraph: 30
- “(i) the sole object of such company is to supply electricity, whether as principal or as agent, to the electricity consumers of any **[self-governing territory as defined in section 38(1) of the Self-governing Territories Constitution Act, 1971 (Act No. 21 of 1971)]** province referred to in section 124 of the Constitution, or of any local authority as defined in section 1 of the Electricity Act, 1987 (Act No. 41 of 1987);” 35
- (d) by the substitution for items (aa) and (dd) of subparagraph (vi) of paragraph (cK) of subsection (1) of the following items, respectively:
- “(aa) the provincial government of such **[self-governing territory]** province;” and 40
- “(dd) a trust acting as nominee for such **[self-governing territory]** province, local authority, regional services council or joint services board;”;
- (e) by the deletion of paragraph (cL) of subsection (1);
- (f) by the substitution for the words preceding subparagraph (i) of paragraph (fA) of subsection (1) and the said subparagraph (i) of the following words and subparagraph: 45
- “the receipts and accruals of any fund the sole object of which is to provide funds for any body, such body being a company, society, association of persons or trust contemplated in paragraph (cF) or any religious, charitable or educational institution contemplated in paragraph (f), if such fund— 50
- (i) has been approved by the Commissioner subject to such conditions as he may deem necessary to ensure that no benefits are allocated by the fund for purposes other than the provision of funds for such a [religious, charitable or educational institution contemplated in paragraph (f)] 55
- body;”;

artikel 7 van Wet 70 van 1989, artikel 10 van Wet 101 van 1990, artikel 12 van Wet 129 van 1991, artikel 10 van Wet 141 van 1992, artikel 7 van Wet 113 van 1993, artikel 4 van Wet 140 van 1993, artikel 9 van Wet 21 van 1994 en artikel 10 van Wet 21 van 1995

- 5 8. (1) Artikel 10 van die Hoofwet word hierby gewysig—
- (a) deur item (ff) van subparagraaf (i) van paragraaf (cB) van subartikel (1) deur die volgende item te vervang:
- 10 “(ff) om die gemeenskaplike belange van persone (synde lede van bedoelde maatskappy, genootskap of vereniging) wat ’n besigheid, professie of beroep van ’n besondere soort beoefen, te bevorder op ’n ander wyse as—
- (A) die beoefening deur bedoelde maatskappy, genootskap of vereniging van handelsbedrywighede of ander bedrywighede met winsoogmerk; [of]
- 15 (B) deelname deur bedoelde maatskappy, genootskap of vereniging aan enige besigheids-, professionele of beroepsbedrywighede van enige van sy lede; of
- (C) die voorsiening aan enige van sy lede van geldelike hulp of van enige perseel of aanhoudende dienste of fasiliteite wat deur sy lede
- 20 benodig is vir die beoefening van ’n besigheid, professie of beroep.”;
- (b) deur item (aa) van subparagraaf (i) van paragraaf (cI) van subartikel (1) deur die volgende item te vervang:
- 25 “(aa) om grond of ’n reg op grond in die Republiek [of in ’n land waarvan die gebied voorheen deel van die Republiek uitgemaak het] te verkry, hou, ontwikkel of verbeter met die oog daarop om ’n gemeenskap, in die Republiek, [of so ’n land] waarvan ten minste 75 persent van die volwasse lede persone is wat minder as R1 500 per maand verdien, in staat te stel om daardie grond, of ’n reg daarop, te verkry ten einde dié grond uitsluitlik of hoofsaaklik vir bewoningsdoeleindes te okkupeer.”;
- 30 (c) deur subparagraaf (i) van paragraaf (cK) van subartikel (1) deur die volgende subparagraaf te vervang:
- 35 “(i) die enigste oogmerk van bedoelde maatskappy is om elektrisiteit te voorsien, hetsy as prinsipaal of as agent, aan die elektrisiteitsverbruikers van ’n [**selfregerende gebied soos omskryf in artikel 38(1) van die Grondwet van die Selfregerende Gebiede, 1971 (Wet No. 21 van 1971)**] provinsie bedoel in artikel 124 van die Grondwet, of van ’n plaaslike owerheid soos omskryf in artikel 1 van die Elektrisiteitswet, 1987 (Wet No. 41 van 1987).”;
- 40 (d) deur items (aa) en (dd) van subparagraaf (vi) van paragraaf (cK) van subartikel (1) deur onderskeidelik die volgende items te vervang:
- “**(aa)** die provinsiale regering van bedoelde [**selfregerende gebied**] provinsie.”; en
- 45 “**(dd)** ’n trust wat as genomineerde optree vir bedoelde [**selfregerende gebied**] provinsie, plaaslike owerheid, streeksdiensteraad of gesamentlike diensteraad.”;
- (e) deur paragraaf (cL) van subartikel (1) te skrap;
- (f) deur die woorde wat subparagraaf (i) van paragraaf (fA) van subartikel (1) voorafgaan en genoemde subparagraaf (i) deur die volgende woorde en subparagraaf te vervang:
- 50 “die ontvangste en toevallings van ’n fonds waarvan die enigste oogmerk is om fondse aan enige liggaam, bedoelde liggaam synde ’n maatskappy, genootskap, vereniging van persone of trust beoog in paragraaf (cF) of enige godsdienstige, liefdadigheids- of opvoedkundige inrigting beoog in paragraaf (f), te verskaf, indien bedoelde fonds—
- 55 (i) deur die Kommissaris goedgekeur is onderworpe aan die voorwaardes wat hy nodig ag om te verseker dat geen voordele deur die fonds toegeken word nie behalwe vir doeleindes van die verskaffing van fondse aan so ’n [godsdienstige, liefdadigheids- of opvoedkundige inrigting in paragraaf (f) beoog] liggaam.”;
- 60

- (g) by the substitution for items (aa), (cc) and (dd) of subparagraph (ii) of paragraph (fA) of subsection (1) of the following items, respectively:
- “(aa) not permitted to distribute any of its funds to any person other than **[an institution contemplated in paragraph (f)] such a body**”;
- “(cc) required to distribute, unless the Commissioner otherwise directs, at least 75 per cent of its net revenue (being the gross income of such fund less the costs of its administration) to any **[religious, charitable or educational institution contemplated in paragraph (f)] such body** within a period of 12 months from the end of the financial year during which such net revenue was derived;” and
- “(dd) required on dissolution to transfer its assets to any **[religious, charitable or educational institution which is exempt from tax under paragraph (f)] such body**”;
- (h) by the substitution for item (hh) of subparagraph (ii) of paragraph (fA) of subsection (1) of the following item:
- “(hh) required to apply its net revenue, unless the Minister of Finance otherwise directs, for the furtherance of its sole object in the Republic: **[or in any country the territory of which formerly formed part of the Republic]**”;
- (i) by the substitution for paragraph (b) of the proviso to paragraph (fA) of subsection (1) of the following paragraph:
- “(b) where the Commissioner has withdrawn his approval of such fund, it shall, within two months from the date of such withdrawal, transfer, or take reasonable steps to transfer, its remaining assets to any **[religious, charitable or educational institution] such body** which is exempt from tax under paragraph (cF) or (f)”;
- (j) by the substitution for paragraph (gB) of subsection (1) of the following paragraph:
- “(gB) any **[disability pension] compensation** paid **[under section 39(1)(c) or (d)] in terms of the Workmen’s Compensation Act, 1941 (Act No. 30 of 1941), or the Compensation for Occupational Injuries and Diseases Act, 1993 (Act No. 130 of 1993)**”;
- (k) by the deletion of the word “and” at the end of paragraph (iii) of the proviso to paragraph (hA) of subsection (1);
- (l) by the addition of the word “and” at the end of paragraph (iv) of the proviso to paragraph (hA) of subsection (1);
- (m) by the addition to the proviso to paragraph (hA) of subsection (1) of the following paragraph:
- “(v) the exemption under this paragraph shall not apply to any interest received by or accrued to a company which is managed and controlled outside the Republic, if such interest is effectively connected with the business carried on by that company in the Republic”;
- (n) by the deletion of the words preceding subparagraph (i) of paragraph (i) of subsection (1) and subparagraphs (i), (ii), (vi), (xii), (xiiA), (xiii) and (xiv) of the said paragraph (i);
- (o) by the deletion of subparagraph (xiv) of paragraph (t) of subsection (1); and
- (p) by the deletion of subsection (4).
- (2)(a) Subsection (1)(a) shall come into operation as from the commencement of years of assessment commencing on or after 1 August 1996.
- (b) Subsection (1)(j) shall come into operation on the date on which section 12 of the Compensation for Occupational Injuries and Diseases Amendment Act, 1996, comes into operation.
- (c) Subsection (1)(m) shall be deemed to have come into operation on 1 April 1996 and shall apply to any interest received or accrued on or after that date.

Amendment of section 11 of Act 58 of 1962, as amended by section 9 of Act 90 of 1962, section 8 of Act 72 of 1963, section 9 of Act 90 of 1964, section 11 of Act 88 of 1965, section 12 of Act 55 of 1966, section 11 of Act 95 of 1967, section 9 of Act 76 of 1968, section 14 of Act 89 of 1969, section 10 of Act 52 of 1970, section 10 of Act 88 of 1971, section 8 of Act 90 of 1972, section 9 of Act 65 of 1973, section 12 of Act

- (g) deur items (aa), (cc) en (dd) van subparagraaf (ii) van paragraaf (fA) van subartikel (1) deur onderskeidelik die volgende items te vervang:
- “(aa) nie bevoeg is om enige van sy fondse aan enige persoon uit te keer nie anders as aan so ’n **[inrigting soos in paragraaf (f) beoog] liggaam**”;
- 5 “(cc) verplig is om, tensy die Kommissaris anders gelas, ten minste 75 persent van sy netto inkomste (synde die bruto inkomste van bedoelde fonds min die koste van sy administrasie) aan so ’n **[godsdiensstige, liefdadigheids- of opvoedkundige inrigting beoog in paragraaf (f)] liggaam** uit te keer binne ’n tydperk van 12 maande vanaf die einde van die finansiële jaar waartydens bedoelde netto inkomste verkry is;”; en
- 10 “(dd) verplig is om by ontbinding sy bates aan enige **[godsdiensstige, liefdadigheids- of opvoedkundige inrigting]** bedoelde liggaam oor te dra **[wat kragtens paragraaf (f) van belasting vrygestel is]**”;
- (h) deur item (hh) van subparagraaf (ii) van paragraaf (fA) van subartikel (1) 15 deur die volgende item te vervang:
- “(hh) verplig is om sy netto inkome, tensy die Minister van Finansies anders gelas, aan te wend ter bevordering van sy enigste oogmerk in die Republiek: **[of in ’n land waarvan die gebied voorheen deel van die Republiek uitgemaak het]**”;
- 20 (i) deur paragraaf (b) van die voorbehoudsbepaling by paragraaf (fA) van subartikel (1) deur die volgende paragraaf te vervang:
- “(b) waar die Kommissaris sy goedkeuring van bedoelde fonds ingetrek het, dit binne twee maande vanaf die datum van bedoelde intrekking sy oorblywende bates moet oordra, of redelike stappe moet doen om sodanige bates oor te dra, aan enige **[godsdiensstige, liefdadigheids- of opvoedkundige inrigting]** bedoelde liggaam wat kragtens paragraaf 25 (cF) of (f) van belasting vrygestel is;”;
- (j) deur paragraaf (gB) van subartikel (1) deur die volgende paragraaf te vervang:
- 30 “(gB) **[’n ongeskiktheidspensioen kragtens artikel 39(1)(c) of (d) van enige vergoeding ingevolge die Ongevallewet, 1941 (Wet No. 30 van 1941), of die Wet op Vergoeding vir Beroepsbeserings en -siektes, 1993 (Wet No. 130 van 1993), betaal]**”;
- (k) deur die woord “en” aan die einde van paragraaf (iii) van die voorbehoudsbepaling by paragraaf (hA) van subartikel (1) te skrap;
- 35 (l) deur die woord “en” aan die einde van paragraaf (iv) van die voorbehoudsbepaling by paragraaf (hA) van subartikel (1) by te voeg;
- (m) deur die volgende paragraaf by die voorbehoudsbepaling by paragraaf (hA) van subartikel (1) te voeg:
- 40 “(v) **[die vrystelling kragtens hierdie paragraaf nie van toepassing is nie op enige rente ontvang deur of toegeval aan ’n maatskappy wat buite die Republiek bestuur en beheer word, indien bedoelde rente effektiewelik aan die besigheid wat deur daardie maatskappy in die Republiek gedryf word, verbonde is]**”;
- 45 (n) deur die woorde wat subparagraaf (i) van paragraaf (i) van subartikel (1) voorafgaan en subparagrafe (i), (ii), (vi), (xii), (xiiA), (xiii) en (xiv) van genoemde paragraaf (i) te skrap;
- (o) deur subparagraaf (xiv) van paragraaf (t) van subartikel (1) te skrap; en
- (p) deur subartikel (4) te skrap.
- 50 (2) (a) Subartikel (1)(a) tree in werking vanaf die begin van jare van aanslag beginnende op of na 1 Augustus 1996.
- (b) Subartikel (1)(j) tree in werking op die datum van inwerkingtreding van artikel 12 van die Wysigingswet op Vergoeding vir Beroepsbeserings en -siektes, 1996.
- (c) Subartikel (1)(m) word geag op 1 April 1996 in werking te getree het en is van 55 toepassing op enige rente ontvang of toegeval op of na daardie datum.

Wysiging van artikel 11 van Wet 58 van 1962, soos gewysig deur artikel 9 van Wet 90 van 1962, artikel 8 van Wet 72 van 1963, artikel 9 van Wet 90 van 1964, artikel 11 van Wet 88 van 1965, artikel 12 van Wet 55 van 1966, artikel 11 van Wet 95 van 1967, artikel 9 van Wet 76 van 1968, artikel 14 van Wet 89 van 1969, artikel 10 van 60 Wet 52 van 1970, artikel 10 van Wet 88 van 1971, artikel 8 van Wet 90 van 1972, artikel 9 van Wet 65 van 1973, artikel 12 van Wet 85 van 1974, artikel 9 van Wet

85 of 1974, section 9 of Act 69 of 1975, section 9 of Act 113 of 1977, section 5 of Act 101 of 1978, section 8 of Act 104 of 1979, section 8 of Act 104 of 1980, section 9 of Act 96 of 1981, section 7 of Act 91 of 1982, section 10 of Act 94 of 1983, section 11 of Act 121 of 1984, section 46 of Act 97 of 1986, section 10 of Act 85 of 1987, section 8 of Act 90 of 1988, section 8 of Act 70 of 1989, section 11 of Act 101 of 1990, section 13 of Act 129 of 1991, section 11 of Act 141 of 1992, section 9 of Act 113 of 1993, section 5 of Act 140 of 1993, section 10 of Act 21 of 1994 and section 12 of Act 21 of 1995

9. (1) Section 11 of the principal Act is hereby amended by the substitution for the expression "two hundred rand" in paragraph (aa) of the proviso to paragraph (gA) of the expression "R3 000".

(2) Subsection (1) shall come into operation on 1 August 1996 and shall apply to any expenditure incurred on or after that date.

Amendment of section 16A of Act 58 of 1962, as inserted by section 10 of Act 70 of 1989

10. Section 16A of the principal Act is hereby amended by the substitution for the words preceding subparagraph (i) of paragraph (b) of subsection (1) of the following words:

"has incurred such expenditure during the year of assessment in respect of the attendance by him of any course or congress held in a country other than the Republic **[or any country the territory of which formerly formed part of the Republic]** and that such course or congress—".

Amendment of section 18A of Act 58 of 1962, as inserted by section 15 of Act 52 of 1970 and substituted by section 16 of Act 96 of 1981 and amended by section 14 of Act 91 of 1982, section 16 of Act 94 of 1983, section 16 of Act 121 of 1984, section 15 of Act 90 of 1988, section 17 of Act 101 of 1990 and section 20 of Act 129 of 1991

11. (1) Section 18A of the principal Act is hereby amended—

(a) by the substitution in subsection (1) for paragraphs (a) and (b) of the definition of "college" of the following paragraphs, respectively:

"(a) a technikon established or deemed to have been established or declared to be such under the **[Advanced Technical Education Act, 1967 (Act No. 40 of 1967)]** Technikons Act, 1993 (Act No. 125 of 1993), or any other Act of Parliament; **[or established as such under any law of and situated in, an independent State whose territory formerly formed part of the Republic]** or

(b) any other educational institution established by or under any other law of the Republic, **[or established under any law of, and situated in, any such independent State]** if the Commissioner, in consultation with the officer in the public service of the Republic, **[or, as the case may be, of the independent State in question]** upon or to whom powers, duties or functions are or may be conferred, imposed or assigned in terms of the law in question, is satisfied that such institution is in all material respects similar to any technikon referred to in paragraph (a);";

(b) by the substitution in subsection (1) for subparagraph (i) of paragraph (c) of the definition of "educational fund" of the following subparagraph:

"(i) for educational or training purposes for the benefit of the pupils, students or trainees of any school or institution referred to in paragraph (b) which is situated in the Republic, **[or any similar school or institution in any independent State whose territory formerly formed part of the Republic]** where such fund is administered and controlled by the trustee of any educational trust approved by the Minister of Finance which has been created under a written deed of trust with the object of serving such purposes; or";

69 van 1975, artikel 9 van Wet 113 van 1977, artikel 5 van Wet 101 van 1978, artikel 8 van Wet 104 van 1979, artikel 8 van Wet 104 van 1980, artikel 9 van Wet 96 van 1981, artikel 7 van Wet 91 van 1982, artikel 10 van Wet 94 van 1983, artikel 11 van Wet 121 van 1984, artikel 46 van Wet 97 van 1986, artikel 10 van Wet 85 van 1987, artikel 8 van Wet 90 van 1988, artikel 8 van Wet 70 van 1989, artikel 11 van Wet 101 van 1990, artikel 13 van Wet 129 van 1991, artikel 11 van Wet 141 van 1992, artikel 9 van Wet 113 van 1993, artikel 5 van Wet 140 van 1993, artikel 10 van Wet 21 van 1994 en artikel 12 van Wet 21 van 1995

9. (1) Artikel 11 van die Hoofwet word hierby gewysig deur die uitdrukking "tweehonderd rand" in paragraaf (aa) van die voorbehoudsbepaling by paragraaf (gA) deur die uitdrukking "R3 000" te vervang.

(2) Subartikel (1) tree op 1 Augustus 1996 in werking en is van toepassing op enige uitgewes op of na daardie datum aangegaan.

Wysiging van artikel 16A van Wet 58 van 1962, soos ingevoeg deur artikel 10 van Wet 70 van 1989

10. Artikel 16A van die Hoofwet word hierby gewysig deur die woorde wat subparagraaf (i) van paragraaf (b) van subartikel (1) voorafgaan deur die volgende woorde te vervang:

"bedoelde onkoste gedurende die jaar van aanslag aangegaan het ten opsigte van die bywoning van 'n kursus of kongres gehou in 'n land behalwe die Republiek [of 'n land waarvan die gebied voorheen deel van die Republiek uitgemaak het] en dat bedoelde kursus of kongres—".

Wysiging van artikel 18A van Wet 58 van 1962, soos ingevoeg deur artikel 15 van Wet 52 van 1970 en vervang deur artikel 16 van Wet 96 van 1981 en gewysig deur artikel 14 van Wet 91 van 1982, artikel 16 van Wet 94 van 1983, artikel 16 van Wet 121 van 1984, artikel 15 van Wet 90 van 1988, artikel 17 van Wet 101 van 1990 en artikel 20 van Wet 129 van 1991

11. (1) Artikel 18A van die Hoofwet word hierby gewysig—

(a) deur in subartikel (1) paragrafe (a) en (b) van die omskrywing van "kollege" deur onderskeidelik die volgende paragrafe te vervang:

"(a) 'n technikon wat ingevolge die Wet op [Gevorderde Tegniese Onderwys, 1967 (Wet No. 40 van 1967)] Technikons, 1993 (Wet No. 125 van 1993), of 'n ander Parlements wet ingestel is of geag word daarkragtens ingestel te gewees het of as sodanig verklaar is; [of wat as sodanig ingestel is ingevolge 'n wet van en geleë is in, 'n onafhanklike Staat waarvan die gebied voorheen deel van die Republiek uitgemaak het] of

(b) 'n ander opvoedkundige inrigting wat ingestel is by of ingevolge 'n ander wet van die Republiek, [of wat ingestel is ingevolge 'n wet van, en geleë is in, so 'n onafhanklike Staat] indien die Kommissaris, in oorleg met die beampste in die staatsdiens van die Republiek, [of, na gelang van die geval, van die betrokke onafhanklike Staat] aan wie bevoegdhede, pligte of funksies ingevolge die betrokke wet verleen, opgelê of toevertrou word of kan word, oortuig is dat bedoelde inrigting in alle wesentlike opsigte soortgelyk is aan 'n technikon in paragraaf (a) bedoel;"

(b) deur in subartikel (1) subparagraaf (i) van paragraaf (c) van die omskrywing van "opvoedkundige fonds" deur die volgende subparagraaf te vervang:

"(i) vir opvoedkundige of opleidingsdoeleindes tot voordeel van die leerlinge, studente of kwekelinge van 'n skool of inrigting in paragraaf (b) bedoel wat in die Republiek geleë is, [of 'n soortgelyke skool of inrigting in 'n onafhanklike Staat waarvan die gebied voorheen deel van die Republiek uitgemaak het] waar bedoelde fonds geadministreer en beheer word deur die trustee van 'n deur die Minister van Finansies goedgekeurde opvoedkundige trust wat ingevolge 'n geskrewe trustakte geskep is met die doel om bedoelde doeleindes te dien; of";

- (c) by the substitution in subsection (1) for the words preceding subparagraph (i) of paragraph (d) of the definition of "educational fund" of the following words:
 "any trust fund established in the Republic for the sole purpose of receiving donations from companies to be used exclusively for educational or training purposes in respect of primary and secondary education in the Republic **[or any independent state whose territory formerly formed part of the Republic]** if—";
- (d) by the substitution in subsection (1) for the definition of "university" of the following definition:
 "‘university’ means a university established by an Act of Parliament **[or established by any law of and situated in, any independent State whose territory formerly formed part of the Republic]** and a university college established under the **[Extension of University Education Act, 1959 (Act No. 45 of 1959)]** Tertiary Education Act, 1988 (Act No. 66 of 1988).";
- (e) by the addition of the word "and" at the end of paragraph (a) of subsection (2);
- (f) by the deletion of the word "and" at the end of paragraph (b) of subsection (2);
- (g) by the deletion of paragraph (c) of subsection (2);
- (h) by the substitution for the words preceding paragraph (a) of subsection (3) of the following words:
 "Any claim for a deduction in respect of any donation under subsection (2) shall not be allowed unless supported by a receipt issued **[(as respects a donation contemplated in paragraph (a) or (b) of that subsection)]** by the university, college or person in control of the educational fund concerned, **[or (as respects a donation contemplated in paragraph (c) of that subsection) by the said Bible Society of South Africa]** on which the following details are given, namely—";
- (i) by the substitution for paragraph (b) of subsection (3) of the following paragraph:
 "(b) the name of the university, college or educational fund which received **[a] the donation, [contemplated in paragraph (a) of subsection (2) or, as respects a donation contemplated in paragraph (c) of that subsection, the name of the said Bible Society]** together with an address to which enquiries may be directed in connection therewith;";
- (j) by the substitution for paragraph (e) of subsection (3) of the following paragraph:
 "(e) a certification to the effect that the receipt is issued for the purposes of section 18A of the Income Tax Act, 1962, and that the donation has been or will be used exclusively for the purposes of the university, college or educational fund concerned **[or the said Bible Society]**.".
- (2) Subsection (1)(e) to (j), inclusive, shall come into operation on 1 October 1996 and shall apply in respect of any donation made on or after that date.

Amendment of section 22 of Act 58 of 1962, as amended by section 8 of Act 6 of 1963, section 14 of Act 90 of 1964, section 21 of Act 89 of 1969, section 23 of Act 85 of 1974, section 20 of Act 69 of 1975, section 15 of Act 103 of 1976, section 20 of Act 94 of 1983, section 19 of Act 121 of 1984, section 14 of Act 65 of 1986, section 5 of Act 108 of 1986, section 21 of Act 101 of 1990, section 22 of Act 129 of 1991, section 17 of Act 113 of 1993, section 1 of Act 168 of 1993 and section 19 of Act 21 of 1995

12. (1) Section 22 of the principal Act is hereby amended—

(a) by the insertion after subsection (4) of the following subsection:

"(4A) For the purposes of subsection (4), where—

(a) any marketable security has been lent by a lender to a borrower in terms of a 'lending arrangement' as defined in section 23(1) of the Stamp Duties Act, 1968 (Act No. 77 of 1968), such marketable security shall be deemed not to have been acquired by such borrower; or

- (c) deur in subartikel (1) die woorde wat subparagraaf (i) van paragraaf (d) van die omskrywing van “opvoedkundige fonds” voorafgaan deur die volgende woorde te vervang:
 “ ’n trustfonds ingestel in die Republiek met die uitsluitlike doel om skenkings van maatskappye te ontvang wat uitsluitlik gebruik staan te word vir opvoedkundige of opleidingsdoeleindes ten opsigte van primêre en sekondêre opvoeding in die Republiek [of ’n onafhanklike staat waarvan die gebied voorheen deel van die Republiek uitgemaak het] indien—”;
- (d) deur in subartikel (1) die omskrywing van “universiteit” deur die volgende omskrywing te vervang:
 “ ‘universiteit’ ’n universiteit ingestel by ’n Parlements wet [of ingestel by ’n wet van en geleë in, ’n onafhanklike Staat waarvan die gebied voorheen deel van die Republiek uitgemaak het] en ’n universiteitskollege kragtens die Wet op [Uitbreiding van Universiteitsopleiding, 1959 (Wet No. 45 van 1959)] Tersiere Onderwys, 1988 (Wet No. 66 van 1988), ingestel.”;
- (e) deur die woord “en” aan die einde van paragraaf (a) van subartikel (2) by te voeg;
- (f) deur die woord “en” aan die einde van paragraaf (b) van subartikel (2) te skrap;
- (g) deur paragraaf (c) van subartikel (2) te skrap;
- (h) deur die woorde wat paragraaf (a) van subartikel (3) voorafgaan deur die volgende woorde te vervang:
 “ ’n Aanspraak op ’n aftrekking ten opsigte van ’n skenking ingevolge subartikel (2) word nie toegelaat nie tensy dit gestaaf word deur ’n kwitansie wat [(met betrekking tot ’n skenking in paragraaf (a) of (b) van daardie subartikel beoog)] deur die betrokke universiteit of kollege of die persoon in beheer van die betrokke opvoedkundige fonds [of (met betrekking tot ’n skenking in paragraaf (c) van daardie subartikel beoog) deur genoemde Bybelgenootskap van Suid-Afrika] uitgereik is waarop die volgende besonderhede verstrekk word, naamlik—”;
- (i) deur paragraaf (b) van subartikel (3) deur die volgende paragraaf te vervang:
 “(b) die naam van die universiteit, kollege of opvoedkundige fonds wat [’n] die skenking [beoog in paragraaf (a) of (b) van subartikel (2)] ontvang het [of, met betrekking tot ’n skenking beoog in paragraaf (c) van daardie subartikel, die naam van genoemde Bybelgenootskap] tesame met ’n adres waarna navrae in verband daarmee gerig kan word;”; en
- (j) deur paragraaf (e) van subartikel (3) deur die volgende paragraaf te vervang:
 “(e) ’n sertifikaat ten effekte dat die kwitansie uitgereik word vir die doeleindes van artikel 18A van die Inkomstebelastingwet, 1962, en dat die skenking uitsluitlik vir doeleindes van die betrokke universiteit, kollege of opvoedkundige fonds [of genoemde Bybelgenootskap] gebruik is of gebruik sal word.”.
- (2) Subartikel (1)(e) tot en met (j) tree op 1 Oktober 1996 in werking en is van toepassing ten opsigte van enige skenking wat op of na daardie datum gemaak is.

Wysiging van artikel 22 van Wet 58 van 1962, soos gewysig deur artikel 8 van Wet 6 van 1963, artikel 14 van Wet 90 van 1964, artikel 21 van Wet 89 van 1969, artikel 23 van Wet 85 van 1974, artikel 20 van Wet 69 van 1975, artikel 15 van Wet 103 van 1976, artikel 20 van Wet 94 van 1983, artikel 19 van Wet 121 van 1984, artikel 14 van Wet 65 van 1986, artikel 5 van Wet 108 van 1986, artikel 21 van Wet 101 van 1990, artikel 22 van Wet 129 van 1991, artikel 17 van Wet 113 van 1993, artikel 1 van Wet 168 van 1993 en artikel 19 van Wet 21 van 1995

12. (1) Artikel 22 van die Hoofwet word hierby gewysig—
- (a) deur in subartikel (4) die volgende subartikel in te voeg:
 “(4A) Waar, by die toepassing van subartikel (4)—
- (a) ’n handelseffek deur ’n uitlener aan ’n lener ingevolge ’n ‘leningsreëling’ soos omskryf in artikel 23(1) van die Wet op Seëlregte, 1968 (Wet No. 77 van 1968), uitgeleë is, word bedoelde handelseffek geag nie deur bedoelde lener verkry te gewees het nie; of

- (b) another marketable security of the same kind and of the same or equivalent quantity and quality has been returned by such borrower to such lender, such other marketable security shall be deemed not to have been acquired by such lender.”;
- (b) by the substitution for subsection (8) of the following subsection: 5
- “(8) If during any year of assessment—
- (a) any taxpayer has applied trading stock to his private or domestic use or consumption; or
- [for the purpose of making any donation of trading stock (other than livestock or produce in respect of which the provisions of paragraph 11 of the First Schedule are applicable) or]** 10
- (b) any—
- (i) taxpayer has applied trading stock for the purpose of making any donation thereof;
- (ii) taxpayer has disposed of trading stock, other than in the ordinary course of his trade, for a consideration less than the market value thereof; 15
- (iii) trading stock of any company has on or after 21 June 1993 been distributed *in specie* (whether such distribution occurred by means of a dividend, including a liquidation dividend, a total or partial reduction of capital (including any share premium) or a redemption of redeemable preference shares) to any shareholder of that company; or 20
- (iv) taxpayer has applied any trading stock for any other purpose other than the disposal thereof in the ordinary course of his trade and under circumstances other than those contemplated in paragraph (a) or subparagraph (i), (ii) or (iii) of this paragraph, 25
- and the cost price of such trading stock has been taken into account in the determination of the taxable income of the taxpayer for any year of assessment, the taxpayer shall be deemed to have recovered or recouped— 30
- (A) where such trading stock has been applied in a manner contemplated in paragraph (a), an amount equal to the cost price to him of such trading stock (less any sum which has been deducted therefrom under the provisions of subsection (1)) or where the cost price cannot be readily determined, the market value of such trading stock; or 35
- (B) where such trading stock has been applied, disposed of or distributed in a manner contemplated in paragraph (b), an amount equal to the market value of such trading stock,
- and such amount shall be included in the income of the taxpayer for the year of assessment during which such trading stock was so applied, disposed of or distributed: Provided that where— 40
- (a) an asset consisting of trading stock so applied is used or consumed by the taxpayer in carrying on his trade, the amount included in his income under this subsection shall for the purposes of this Act be deemed to be expenditure incurred in respect of the acquisition by him of such asset; 45
- [Provided further that where any trading stock (other than livestock or produce) of any company has on or after 21 June 1993 been distributed *in specie* (whether such distribution occurred by means of a dividend, including a liquidation dividend, a total or partial reduction of capital (including any share premium) or a redemption of redeemable preference shares) to any shareholder of that company, there shall be included in the income of such company during the year of assessment in which such trading stock was distributed an amount equal to the market value of such trading stock]** 50
- (b) the provisions of paragraph (b)(ii) apply and any consideration contemplated in that paragraph has been received by or accrued to the taxpayer, the amount included in his income in terms of this subsection shall be reduced by such consideration; or 55

(b) 'n ander handelseffek van dieselfde soort en van dieselfde of gelyke hoeveelheid en gehalte deur bedoelde lener aan bedoelde uitlener teruggegee is, word bedoelde ander handelseffek geag nie deur bedoelde uitlener verkry te gewees het nie .”;

5 (b) deur subartikel (8) deur die volgende subartikel te vervang:

“(8) Indien gedurende enige jaar van aanslag—

(a) 'n belastingpligtige handelsvoorraad aangewend het vir sy private of huishoudelike gebruik; of

10 **[met die doel om 'n skenking van handelsvoorraad te maak (behalwe lewende hawe of produkte ten opsigte waarvan die bepalings van paragraaf 11 van die Eerste Bylae van toepassing is) of]**

(b) enige—

15 (i) belastingpligtige handelsvoorraad aangewend het met die doel om 'n skenking daarvan te maak;

(ii) belastingpligtige oor enige handelsvoorraad beskik het behalwe as in die gewone loop van sy bedryf, teen 'n vergoeding wat minder as die markwaarde daarvan is;

20 (iii) handelsvoorraad van 'n maatskappy op of na 21 Junie 1993 aan 'n aandeelhouer van daardie maatskappy *in specie* uitgekeer is (hetsy daardie uitkering plaasgevind het by wyse van 'n dividend, met inbegrip van 'n likwidasië-dividend, 'n algehele of gedeeltelike vermindering van kapitaal (met inbegrip van enige aandeelpremie) of 'n aflossing van aflosbare voorkeuraandeel); of

25 (iv) belastingpligtige enige handelsvoorraad aangewend het vir 'n ander doel behalwe die beskikking daarvoor in die gewone loop van sy bedryf en onder omstandighede behalwe daardie beoog in paragraaf (a) of subparagraaf (i), (ii) of (iii) van hierdie paragraaf, en die kosprys van bedoelde handelsvoorraad in berekening gebring is by die vasstelling van die belasbare inkomste van die belastingpligtige vir enige jaar van aanslag, word die belastingpligtige geag 'n bedrag te verhaal of vergoed te gewees het—

30 (A) waar bedoelde handelsvoorraad aangewend is op 'n wyse beoog in paragraaf (a), gelyk aan die kosprys vir hom van bedoelde handelsvoorraad (min enige som wat ingevolge die bepalings van subartikel (1) daarvan afgetrek is) of waar die kosprys nie gereedelik vasgestel kan word nie, die markwaarde van bedoelde handelsvoorraad; of

35 (B) waar bedoelde handelsvoorraad aangewend, oor beskik of uitgekeer is op 'n wyse beoog in paragraaf (b), 'n bedrag gelyk aan die markwaarde van bedoelde handelsvoorraad,

40 en bedoelde bedrag word in die inkomste van die belastingpligtige ingesluit vir die jaar van aanslag waarin bedoelde handelsvoorraad aldus aangewend, oor beskik of uitgekeer is: Met dien verstande dat waar—

45 (a) 'n bate wat uit aldus aangewende handelsvoorraad bestaan, deur die belastingpligtige in die beoefening van sy bedryf gebruik of verbruik is, die bedrag wat ingevolge hierdie subartikel in sy inkomste ingesluit is, by die toepassing van hierdie Wet geag word onkoste te wees wat ten opsigte van die verkryging van bedoelde bate deur hom aangegaan is;

50 **[Met dien verstande voorts dat waar enige handelsvoorraad (behalwe lewende hawe of produkte) van 'n maatskappy op of na 21 Junie 1993 aan 'n aandeelhouer van daardie maatskappy *in specie* uitgekeer is (hetsy daardie uitkering plaasgevind het by wyse van 'n dividend, met inbegrip van 'n likwidasië-dividend, 'n algehele of gedeeltelike vermindering van kapitaal (met inbegrip van enige aandeelpremie) of 'n aflossing van aflosbare voorkeuraandeel), daar by die inkomste van bedoelde maatskappy in die jaar van aanslag waarin die bedoelde handelsvoorraad uitgekeer is 'n bedrag gelyk aan die markwaarde van bedoelde handelsvoorraad, ingesluit word]**

55 (b) die bepalings van paragraaf (b)(ii) van toepassing is en enige vergoeding beoog in daardie paragraaf deur die belastingpligtige ontvang is of aan hom toegeval het, die bedrag wat ingevolge hierdie subartikel in sy inkomste ingesluit word met bedoelde vergoeding verminder word; of

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- (c) such trading stock consists of livestock or produce in respect of which the provisions of paragraph 11 of the First Schedule are applicable, the provisions of this subsection shall not apply.”; and
- (c) by the addition of the following subsection:
- “(9) Where—
- (a) (i) the trading stock of any person during any year of assessment includes any marketable security;
- (ii) such person has, during such year of assessment, lent such marketable security to a borrower in terms of a ‘lending arrangement’ as defined in section 23(1) of the Stamp Duties Act, 1968 (Act No. 77 of 1968); and
- (iii) a marketable security of the same kind and of the same or equivalent quantity and quality has not been returned by the borrower to such person at the end of such year of assessment,
- such marketable security shall, for the purposes of this section, be deemed to be trading stock held and not disposed of by such person at the end of such year of assessment; or
- (b) (i) the trading stock of any other person during any year of assessment includes any marketable security;
- (ii) such other person has, during such year of assessment, borrowed such marketable security from a lender in terms of a ‘lending arrangement’ as defined in section 23(1) of the Stamp Duties Act, 1968 (Act No. 77 of 1968); and
- (iii) a marketable security of the same kind and of the same or equivalent quantity and quality has not been returned by such other person to such lender at the end of such year of assessment,
- such marketable security shall, for the purposes of this section, be deemed not to be trading stock held and not disposed of, by such other person at the end of such year of assessment.”.
- (2)(a) Subsection (1)(a) and (c) shall come into operation on 1 August 1996 and shall apply to any marketable security lent on or after that date.
- (b) Subsection (1)(b) shall come into operation on the date of promulgation of this Act and shall apply to any trading stock applied, disposed of or distributed on or after that date.

Amendment of section 24I of Act 58 of 1962, as inserted by section 21 of Act 113 of 1993 and amended by section 11 of Act 140 of 1993 and section 18 of Act 21 of 1994

13. (1) Section 24I of the principal Act is hereby amended—

- (a) by the substitution in subsection (1) for the definition of “affected forward exchange contract” of the following definition:
- “ ‘affected forward exchange contract’ means any forward exchange contract which has been entered into by any person during any year of assessment, to serve as a hedge in respect of
- ~~[(a)]~~ a loan, advance or debt, where—
- ~~[(i)]~~ (a) such loan or advance has not yet been obtained or granted, as the case may be, by such person, or such debt has not yet been incurred by, or the amount payable in respect of such debt has not yet accrued to such person, as the case may be, during such year of assessment; and
- ~~[(ii)]~~ (b) such loan, advance or debt—
- (i) is to be utilised [as contemplated in subsection (7)(a) in terms of an agreement entered into] by such person to acquire any asset or to finance any expense; or
- (ii) will arise from the sale of any asset or the supply of any services,
- in the ordinary course of his trade in terms of an agreement entered into by such person prior to the end of such year of assessment; [for the acquisition, installation, construction, devise, development,

(c) bedoelde handelsvoorraad uit lewende hawe of produkte ten opsigte waarvan die bepalings van paragraaf 11 van die Eerste Bylae van toepassing is, bestaan, die bepalings van hierdie subartikel nie van toepassing is nie.”; en

5 (c) deur die volgende subartikel by te voeg:

“(9) Waar—

- (a) (i) die handelsvoorraad van ’n persoon gedurende ’n jaar van aanslag ’n handelseffek insluit;
- 10 (ii) bedoelde persoon, gedurende bedoelde jaar van aanslag, bedoelde handelseffek aan ’n lener ingevolge ’n ‘leningsreëling’ soos omskryf in artikel 23(1) van die Wet op Seëlregte, 1968 (Wet No. 77 van 1968), uitgeleen het; en
- 15 (iii) ’n handelseffek van dieselfde soort en van dieselfde of gelyke hoeveelheid en gehalte nie deur die lener aan bedoelde persoon aan die einde van bedoelde jaar van aanslag teruggegee is nie, word bedoelde handelseffek vir die doeleindes van hierdie artikel geag handelsvoorraad te wees wat bedoelde persoon aan die einde van bedoelde jaar van aanslag besit het en nie van die hand gesit het nie; of
- 20 (b) (i) die handelsvoorraad van ’n ander persoon gedurende ’n jaar van aanslag ’n handelseffek insluit;
- (ii) bedoelde ander persoon, gedurende bedoelde jaar van aanslag, bedoelde handelseffek van ’n uitlener ingevolge ’n ‘leningsreëling’ soos omskryf in artikel 23(1) van die Wet op Seëlregte, 1968 (Wet
- 25 No. 77 van 1968), geleen het; en
- (iii) ’n handelseffek van dieselfde soort en van dieselfde of gelyke hoeveelheid en gehalte nie deur bedoelde ander persoon aan bedoelde uitlener aan die einde van bedoelde jaar van aanslag teruggegee is nie,
- 30 word bedoelde handelseffek by die toepassing van hierdie artikel geag nie handelsvoorraad van bedoelde ander persoon te wees nie wat deur hom aan die einde van bedoelde jaar van aanslag besit en nie van die hand gesit is nie.”.

(2) (a) Subartikel (1)(a) en (c) tree op 1 Augustus 1996 in werking en is van toepassing op ’n handelseffek wat op of na daardie datum uitgeleen word.

35 (b) Subartikel (1)(b) tree in werking op die datum van afkondiging van hierdie Wet en is van toepassing op handelsvoorraad wat op of na daardie datum aangewend, oor beskik of uitgekeer is.

40 **Wysiging van artikel 24I van Wet 58 van 1962, soos ingevoeg deur artikel 21 van Wet 113 van 1993 en gewysig deur artikel 11 van Wet 140 van 1993 en artikel 18 van Wet 21 van 1994**

13. (1) Artikel 24I van die Hoofwet word hierby gewysig—

(a) deur in subartikel (1) die omskrywing van “geaffekteerde valutatermynkонтрак” deur die volgende omskrywing te vervang:

45 “‘geaffekteerde valutatermynkонтрак’ ’n valutatermynkонтрак wat gedurende ’n jaar van aanslag deur ’n persoon aangegaan is om as dekking te dien ten opsigte van

[(a)] ’n lening, voorskot of skuld, waar—

50 [(i)] (a) bedoelde lening of voorskot nog nie deur bedoelde persoon verkry [is] of toegestaan is nie, na gelang van die geval, of bedoelde skuld nog nie aangegaan is of die bedrag betaalbaar ten opsigte van bedoelde skuld nog nie aan bedoelde persoon toegeval het nie, na gelang van die geval, gedurende bedoelde jaar van aanslag; en

[(ii)] (b) bedoelde lening, voorskot of skuld—

55 (i) aangewend staan te word [soos beoog in subartikel (7)(a) ingevolge ’n ooreenkoms wat] deur bedoelde persoon om ’n bate te verkry of om ’n uitgawe te finansier; of

(ii) sal voortspruit uit die verkoop van ’n bate of die lewering van dienste,

60 in die gewone loop van sy besigheid ingevolge ’n ooreenkoms deur bedoelde persoon aangegaan voor die einde van bedoelde jaar van aanslag; [aangegaan is vir die verkryging, installasie, oprigting,

- creation, production or restoration of any asset (whether corporeal or incorporeal) as contemplated in that subsection; or
- (b) interest to be incurred in respect of a loan or advance obtained or to be obtained or a debt incurred or to be incurred as contemplated in subsection (7)(a)"]; and 5
- (b) by the addition to subsection (7) of the following proviso:
- "Provided that where the Commissioner is satisfied that during any year of assessment subsequent to the year of assessment during which such exchange difference arose or such premium or other consideration was paid or became payable— 10
- (a) the loan, advance or debt to be obtained or incurred, as the case may be, as contemplated in paragraph (b) or (c) of this subsection will no longer be so obtained or incurred;
- (b) such loan, advance or debt has not been utilised as contemplated in paragraph (a); or 15
- (c) any such asset, property or knowledge will no longer be brought into use for the purpose of such person's trade, such exchange difference or premium or other consideration shall no longer be carried forward, but shall be taken into account in the determination of such person's taxable income in such subsequent year of assessment." 20
- (2) Subsection (1) shall come into operation in respect of years of assessment ending on or after the date of promulgation of this Act.

Amendment of section 24J of Act 58 of 1962, as inserted by section 21 of Act 21 of 1995

14. (1) Section 24J of the principal Act is hereby amended— 25
- (a) by the substitution in subsection (1) for the definition of "adjusted gain on transfer or redemption of an instrument" of the following definition:
- " 'adjusted gain on transfer or redemption of an instrument' means—
- (a) in relation to the holder of any income instrument, where—
- (i) an alternative method has not been applied, the amount by which 30
- the sum of the transfer price or redemption payment of such income instrument in relation to such holder and any payments received by such holder in terms of such income instrument during the accrual period in which such income instrument is transferred or redeemed, exceeds the sum of the adjusted initial amount in relation to such 35
- income instrument and the accrual amount in relation to such accrual period and any payments made by such holder in terms of such income instrument during such accrual period; or
- (ii) an alternative method has been applied, the amount by which the 40
- sum of the transfer price or redemption payment of such income instrument in relation to such holder and any payments received by such holder in terms of such income instrument during the period from acquisition until transfer or redemption of such income instrument by such holder, exceeds the sum of the initial amount and all amounts determined in accordance with such alternative 45
- method and any other payments made by such holder in terms of such income instrument during the period from acquisition until transfer or redemption of such income instrument by such holder; or
- (b) in relation to the issuer of any instrument, where—
- (i) an alternative method has not been applied, the amount by which 50
- the sum of the adjusted initial amount in relation to such instrument and the accrual amount in relation to the accrual period during

konstruksie, uitdink, ontwikkeling, skepping, voortbrenging of herstel van 'n bate (hetsy liggaamlik of onliggaamlik) soos beoog in daardie subartikel; of

(b) rente wat aangegaan staan te word met betrekking tot 'n lening of voorskot wat verkry is of verkry staan te word of 'n skuld aangegaan of aangegaan staan te word soos beoog in subartikel (7)(a)]]"; en

(b) deur die volgende voorbehoudsbepaling by subartikel (7) te voeg:
"Met dien verstande dat waar die Kommissaris oortuig is dat gedurende enige jaar van aanslag volgend op die jaar van aanslag waarin bedoelde valutaverskil ontstaan het of bedoelde premie of ander vergoeding betaal is of betaalbaar geword het—

(a) die lening, voorskot of skuld verkry of aangegaan staan te word, na gelang van die geval, soos in paragraaf (b) of (c) van hierdie subartikel beoog, nie meer aldus verkry of aangegaan sal word nie;

(b) bedoelde lening, voorskot of skuld nie aangewend is soos beoog in paragraaf (a) nie; of

(c) enige bedoelde bate, eiendom of kennis nie meer vir die doeleindes van bedoelde persoon se bedryf in gebruik geneem sal word nie,

bedoelde valutaverskil of premie of ander vergoeding nie langer oorgedra word nie, maar dit by die vasstelling van bedoelde persoon se belasbare inkomste in aanmerking geneem word in bedoelde daaropvolgende jaar van aanslag."

(2) Subartikel (1) tree in werking ten opsigte van jare van aanslag wat op of na die datum van afkondiging van hierdie Wet eindig.

Wysiging van artikel 24J van Wet 58 van 1962, soos ingevoeg deur artikel 21 van Wet 21 van 1995

14. (1) Artikel 24J van die Hoofwet word hierby gewysig—

(a) deur in subartikel (1) die omskrywing van "aangepaste verlies by oordrag of aflossing van 'n instrument" deur die volgende omskrywing te vervang:

"aangepaste verlies by oordrag of aflossing van 'n instrument"—

(a) met betrekking tot die houer van 'n inkomste-instrument, waar—

(i) 'n alternatiewe metode nie toegepas is nie, die bedrag waarmee die som van die aangepaste aanvangsbedrag met betrekking tot bedoelde inkomste-instrument en die toevallingsbedrag met betrekking tot die toevallingstydperk waartydens bedoelde inkomste-instrument oorgedra of afgelos word en enige betalings deur bedoelde houer ingevolge bedoelde inkomste-instrument gedurende bedoelde toevallingstydperk gemaak, die som van die oordragprys of aflossingsbetaling met betrekking tot bedoelde inkomste-instrument met betrekking tot bedoelde houer en enige betalings deur bedoelde houer ingevolge bedoelde inkomste-instrument gedurende bedoelde toevallingstydperk ontvang, te bowe gaan; of

(ii) 'n alternatiewe metode toegepas is, die bedrag waarmee die som van die aanvangsbedrag en alle bedrae vasgestel ooreenkomstig bedoelde alternatiewe metode en enige ander betalings deur bedoelde houer gemaak ingevolge bedoelde inkomste-instrument gedurende die tydperk vanaf verkryging tot die oordrag of aflossing van bedoelde inkomste-instrument deur bedoelde houer, die som van die oordragprys of aflossingsbetaling met betrekking tot bedoelde inkomste-instrument met betrekking tot bedoelde houer en enige betalings deur bedoelde houer ingevolge bedoelde inkomste-instrument gedurende die tydperk vanaf verkryging tot die oordrag of aflossing van bedoelde inkomste-instrument deur bedoelde houer ontvang, te bowe gaan; of

(b) met betrekking tot die uitreiker van 'n instrument, waar—

(i) 'n alternatiewe metode nie toegepas is nie, die bedrag waarmee die som van die oordragprys of aflossingsbetaling van bedoelde instrument met betrekking tot bedoelde uitreiker en enige betalings deur bedoelde uitreiker ingevolge bedoelde instrument gemaak

- which such instrument is transferred or redeemed and any payments received by such issuer in terms of such instrument during the accrual period, exceeds the sum of the transfer price or redemption payment in relation to such instrument in relation to such issuer and any payments made by such issuer in terms of such instrument during such accrual period; or 5
- (ii) an alternative method has been applied, the amount by which the sum of the initial amount and all amounts determined in accordance with such alternative method and any other payments received by such issuer in terms of such instrument during the period from issue or acquisition until transfer or redemption of such instrument by such issuer, exceeds the sum of the transfer price or redemption payment in relation to such instrument in relation to such issuer and any payments made by such issuer in terms of such instrument during the period from issue or acquisition until transfer or redemption of such instrument by such issuer;” 10 15
- (b) by the substitution in subsection (1) for the definition of “adjusted loss on transfer or redemption of an instrument” of the following definition: “ ‘adjusted loss on transfer or redemption of an instrument’ means— 20
- (a) in relation to the holder of any income instrument, where— 20
- (i) an alternative method has not been applied, the amount by which the sum of the adjusted initial amount in relation to such income instrument and the accrual amount in relation to the accrual period during which such income instrument is transferred or redeemed and any payments made by such holder in terms of such income instrument during such accrual period, exceeds the sum of the transfer price or redemption payment in relation to such income instrument in relation to such holder and any payments received by such holder in terms of such income instrument during such accrual period; or 25 30
- (ii) an alternative method has been applied, the amount by which the sum of the initial amount and all amounts determined in accordance with such alternative method and any other payments made by such holder in terms of such income instrument during the period from acquisition until transfer or redemption of such income instrument by such holder, exceeds the sum of the transfer price or redemption payment in relation to such income instrument in relation to such holder and any payments received by such holder in terms of such income instrument during the period from acquisition until transfer or redemption of such income instrument by such holder; or 35 40
- (b) in relation to the issuer of any instrument, where—
- (i) an alternative method has not been applied, the amount by which the sum of the transfer price or redemption payment of such instrument in relation to such issuer and any payments made by such issuer in terms of such instrument during the accrual period during which such instrument is transferred or redeemed, exceeds the sum of the adjusted initial amount in relation to such instrument and the accrual amount in relation to such accrual period and any payments received by such issuer in terms of such instrument during such accrual period; or 45 50
- (ii) an alternative method has been applied, the amount by which the sum of the transfer price or redemption payment of such instrument in relation to such issuer and any payments made by such issuer in terms of such instrument during the period from issue or acquisition until transfer or redemption of such instrument by such issuer, 55

- gedurende die toevallingstydperk waartydens bedoelde instrument oorgedra of afgelos word, die som van die aangepaste aanvangsbedrag met betrekking tot bedoelde instrument en die toevallingsbedrag met betrekking tot bedoelde toevallingstydperk en enige betalings deur bedoelde uitreiker ingevolge bedoelde instrument gedurende bedoelde toevallingstydperk ontvang, te bowe gaan; of
- 5 (ii) 'n alternatiewe metode toegepas is, die bedrag waarmee die som van die oordragprys of aflossingsbetaling van bedoelde instrument met betrekking tot bedoelde uitreiker en enige betalings deur bedoelde uitreiker ingevolge bedoelde instrument gemaak gedurende die tydperk van uitreiking of verkryging tot die oordrag of aflossing van bedoelde instrument deur bedoelde uitreiker, die som van die aanvangsbedrag en alle bedrae vasgestel ooreenkomstig bedoelde alternatiewe metode en enige ander betalings deur bedoelde uitreiker ingevolge bedoelde instrument gedurende die tydperk vanaf uitreiking of verkryging tot die oordrag of aflossing van bedoelde instrument deur bedoelde uitreiker ontvang, te bowe gaan;";
- 10 (b) deur in subartikel (1) die omskrywing van "aangepaste wins by oordrag of aflossing van 'n instrument" deur die volgende omskrywing te vervang:
- 20 "aangepaste wins by oordrag of aflossing van 'n instrument"—
- (a) met betrekking tot die houer van 'n inkomste-instrument, waar—
- (i) 'n alternatiewe metode nie toegepas is nie, die bedrag waarmee die som van die oordragprys of aflossingsbetaling van bedoelde inkomste-instrument met betrekking tot bedoelde houer en enige betalings ontvang deur bedoelde houer ingevolge bedoelde inkomste-instrument gedurende die toevallingstydperk waarin bedoelde inkomste-instrument oorgedra of afgelos word, die som van die aangepaste aanvangsbedrag met betrekking tot bedoelde inkomste-instrument en die toevallingsbedrag met betrekking tot bedoelde toevallingstydperk en enige betalings gemaak deur bedoelde houer ingevolge bedoelde inkomste-instrument gedurende bedoelde toevallingstydperk, te bowe gaan; of
- 25 (ii) 'n alternatiewe metode toegepas is, die bedrag waarmee die som van die oordragprys of aflossingsbetaling van bedoelde inkomste-instrument met betrekking tot bedoelde houer en enige betalings ontvang deur bedoelde houer ingevolge bedoelde inkomste-instrument gedurende die tydperk vanaf verkryging tot die oordrag of aflossing van bedoelde inkomste-instrument deur bedoelde houer, die som van die aanvangsbedrag en alle bedrae vasgestel ooreenkomstig bedoelde alternatiewe metode en enige ander betalings deur bedoelde houer ingevolge bedoelde inkomste-instrument gedurende die tydperk vanaf verkryging tot die oordrag of aflossing van bedoelde inkomste-instrument deur bedoelde houer gemaak, te bowe gaan;"; of
- 30 (b) met betrekking tot die uitreiker van 'n instrument, waar—
- (i) 'n alternatiewe metode nie toegepas is nie, die bedrag waarmee die som van die aangepaste aanvangsbedrag met betrekking tot bedoelde instrument en die toevallingsbedrag met betrekking tot die toevallingstydperk waartydens bedoelde instrument oorgedra of afgelos word en enige betalings deur bedoelde uitreiker ingevolge bedoelde instrument gedurende die toevallingstydperk ontvang, die som van die oordragprys of aflossingsbetaling met betrekking tot bedoelde instrument met betrekking tot bedoelde uitreiker en enige betalings deur bedoelde uitreiker ingevolge bedoelde instrument gedurende bedoelde toevallingstydperk gemaak, te bowe gaan; of
- 35 (ii) 'n alternatiewe metode toegepas is, die bedrag waarmee die som van die aanvangsbedrag en alle bedrae vasgestel ooreenkomstig bedoelde alternatiewe metode en enige ander betalings ontvang deur bedoelde uitreiker ingevolge bedoelde instrument gedurende die tydperk vanaf uitreiking of verkryging tot die oordrag of aflossing van bedoelde instrument deur bedoelde uitreiker, die som van die oordragprys of aflossingsbetaling met betrekking tot
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- exceeds the sum of the initial amount and all amounts determined in accordance with such alternative method and any other payments received by such issuer in terms of such instrument during the period from issue or acquisition until transfer or redemption of such instrument by such issuer;”;
- (c) by the substitution in subsection (1) for the definition of “income instrument” of the following definition:
 “ ‘income instrument’ means—
 (a) in the case of any person other than a company, any instrument—
 [(a)] (i) the term of which will, or is reasonably likely to, exceed one year; and
 [(b)] (ii) which is issued or acquired at a discount or premium or bears deferred interest; and
 (b) in the case of any company, any instrument;”;
- (d) by the substitution in subsection (1) for the words following upon paragraph (e) of the definition of “instrument” of the following words:
 “which was—
 (i) issued or deemed to have been issued after 15 March 1995; [or]
 (ii) issued on or before 15 March 1995 and transferred on or after [the date of promulgation of the Income Tax Act, 1995] 19 July 1995; or
 (iii) in so far as it relates to the holder thereof, issued on or before 15 March 1995 and was unredeemed on 14 March 1996 (excluding any arrangement contemplated in subparagraphs (i) and (ii)),
 but excluding—
 [(i)] (A) any lease agreement; and
 [(ii)] (B) any agreement qualifying for an allowance contemplated in section 24(2) to the extent that such section is applicable to the holder of such agreement;”;
- (e) by the insertion after subsection (3) of the following subsection:
 “(3A) Where any person is the holder of an income instrument which is an instrument as contemplated in paragraph (iii) of the definition of ‘instrument’, the amount by which the sum of all accrual amounts in relation to all accrual periods falling within the period from the date of acquisition (whether by way of issue or transfer, as the case may be) of such income instrument by such person until 13 March 1996, exceeds the sum of all interest received by or accrued to such person during such period had the provisions of this section not been applicable during such period in respect of such income instrument, shall for the purposes of this Act be deemed to have accrued to such person in the year of assessment during which such income instrument is transferred by such holder or redeemed (whichever is the earlier): Provided that the provisions of this subsection shall not apply in so far as any interest in relation to such income instrument was assessed to tax in the hands of such person under an assessment raised with a date of assessment before the date of promulgation of this Act.”;
- (f) by the insertion after subsection (4) of the following subsection:
 “(4A) Where in the case of any—
 (a) holder of an income instrument any adjusted loss on transfer or redemption of such income instrument which has been deemed to have been incurred by such holder in terms of subsection (4)(b) during any year of assessment, includes an amount in relation to such income instrument representing an—
 (i) accrual amount; or
 (ii) amount determined in accordance with an alternative method, which amount has been included in the income of the holder during such year of assessment or any previous year of assessment, such amount shall be allowed as a deduction from the income of such holder during such year of assessment; or
 (b) issuer of an instrument any adjusted gain on transfer or redemption which has been deemed to have been accrued to such issuer in terms of subsection (4)(a) during any year of assessment, includes

bedoelde instrument met betrekking tot bedoelde uitreiker en enige betalings deur bedoelde uitreiker ingevolge bedoelde instrument gedurende die tydperk vanaf uitreiking of verkryging tot die oordrag of aflossing van bedoelde instrument deur bedoelde uitreiker gemaak, te bowe gaan;”;

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- (c) deur in subartikel (1) die omskrywing van “inkomste-instrument” deur die volgende omskrywing te vervang:
“ ‘inkomste-instrument’ —

10 (a) in die geval van ’n persoon behalwe ’n maatskappy, ’n instrument—
[(a)](i) waarvan die termyn een jaar, of redelikerwys waarskynlik een jaar, sal oorskry; en

[(b)](ii) wat uitgereik of verkry is teen ’n diskonto of premie of uitgestelde rente dra; en

15 (b) in die geval van ’n maatskappy, enige instrument;”;

- (d) deur in subartikel (1) die woorde wat op paragraaf (e) van die omskrywing van “instrument” volg deur die volgende woorde te vervang:

“wat—

(i) na 15 Maart 1995 uitgereik is of geag uitgereik te gewees het; [of]

20 (ii) op of voor 15 Maart 1995 uitgereik is en oorgedra is op of na
[die datum van afkondiging van die Inkomstebelastingwet, 1995]
19 Julie 1995; of

(iii) vir sover dit betrekking het op die houer daarvan, uitgereik op of voor 15 Maart 1995 en op 14 Maart 1996 onafgelos was (uitgesonderd enige reëling beoog in subparagraawe (i) en (ii)),

25 maar uitgesonderd—

[(i)] (A) ’n huurooreenkoms; en

[(ii)] (B) ’n ooreenkoms wat kwalifiseer vir ’n vermindering beoog in artikel 24(2) in die mate wat bedoelde artikel van toepassing is op die houer van bedoelde ooreenkoms;”;

- 30 (e) deur na subartikel (3) die volgende subartikel in te voeg:

“(3A) Waar ’n persoon die houer van ’n inkomste-instrument is wat ’n instrument soos beoog in paragraaf (iii) van die omskrywing van ‘instrument’ is, word die bedrag waarmee die som van alle toevallingsbedrae met betrekking tot alle toevallingstydperke wat binne die tydperk vanaf die datum van verkryging (hetsy deur uitreiking of oordrag, na gelang van die geval) van bedoelde inkomste-instrument deur bedoelde persoon tot 13 Maart 1996 val, die som van alle rente ontvang deur of toegeval aan bedoelde persoon gedurende bedoelde tydperk, sou die bepalinge van dié artikel nie van toepassing gewees het nie gedurende bedoelde tydperk ten opsigte van bedoelde inkomste-instrument, te bowe gaan, by die toepassing van hierdie Wet geag toe te geval het aan bedoelde persoon in die jaar van aanslag waarin bedoelde inkomste-instrument deur bedoelde houer oorgedra is of afgelos is (watter ook al die vroegste is): Met dien verstande dat die bepalinge van hierdie subartikel nie van toepassing is nie vir sover enige rente met betrekking tot bedoelde inkomste-instrument vir belasting in die hande van bedoelde persoon, kragtens ’n aanslag gehef met ’n datum van aanslag voor die datum van afkondiging van hierdie Wet, aangeslaan is.”;

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- (f) deur na subartikel (4) die volgende subartikel in te voeg:

“(4A) Waar in die geval van ’n—

50 (a) houer van ’n inkomste-instrument ’n aangepaste verlies by oordrag of aflossing van bedoelde instrument wat geag is aangegaan te gewees het deur bedoelde houer ingevolge subartikel (4)(b) gedurende ’n jaar van aanslag, ’n bedrag met betrekking tot bedoelde inkomste-instrument insluit wat ’n—

55 (i) toevallingsbedrag; of

(ii) bedrag vasgestel ooreenkomstig ’n alternatiewe metode, voorstel, welke bedrag by die inkomste van die houer gedurende bedoelde jaar van aanslag of ’n vorige jaar van aanslag ingesluit is, word bedoelde bedrag as ’n aftrekking van die inkomste van bedoelde houer gedurende bedoelde jaar van aanslag toegelaat; of

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(b) uitreiker van ’n instrument ’n aangepaste wins by oordrag of aflossing wat geag is aan bedoelde uitreiker toe te geval het ingevolge subartikel (4)(a) gedurende ’n jaar van aanslag, ’n bedrag met betrekking tot

- an amount in relation to such instrument representing an—
- (i) accrual amount; or
 - (ii) amount determined in accordance with an alternative method, which amount has been allowed as a deduction from the income of such issuer during such year of assessment or any previous year of assessment, such amount shall be included in the income of such issuer during such year of assessment.”; and
- (g) by the insertion after subsection (5) of the following subsection:
- “(5A) Any amount which has been deemed to have been incurred by or accrued to a person, as the case may be, in respect of an instrument in terms of the provisions of this section, shall for the purposes of this Act not be deducted from or included in, as the case may be, the income of such person more than once by reason of the application of this section.”.
- (2)(a) Subsection (1)(a), (b), (f) and (g) shall be deemed to have come into operation on 16 March 1995 and shall apply to all instruments which are subject to the provisions of section 24J of the principal Act.
- (b) Subsection (1)(c) shall come into operation on the date of promulgation of this Act and shall apply to all instruments issued or transferred on or after that date.
- (c) Subsection (1)(d) and (e) shall in so far as it relates to any instrument issued on or before 15 March 1995 and which was unredeemed on 14 March 1996 (excluding any arrangement contemplated in paragraphs (i) and (ii) of the definition of “instrument” in section 24J(1) of the principal Act) be deemed to have come into operation from the date of issue or transfer, as the case may be, of such instrument to a person who was the holder thereof on 14 March 1996 and shall apply to the holder of such an instrument from such date of issue or transfer.

Amendment of section 27 of Act 58 of 1962, as amended by section 17 of Act 113 of 1977, section 11 of Act 101 of 1978, section 19 of Act 104 of 1980, section 21 of Act 96 of 1981, section 15 of Act 96 of 1985, section 18 of Act 85 of 1987, section 22 of Act 90 of 1988, section 28 of Act 129 of 1991, section 23 of Act 141 of 1992 and section 23 of Act 113 of 1993

15. Section 27 of the principal Act is hereby amended by the substitution in subsection (2) for the proviso to paragraph (a) of the following proviso:

“Provided that the amounts allowed as deductions under this paragraph shall not in the aggregate exceed an amount which bears to the taxable income of such agricultural co-operative for the year of assessment (as calculated before allowing any deductions under this paragraph and sections 11*bis* [13*bis*(7)] and 21*ter* and before setting off any balance of assessed loss brought forward from a previous year of assessment) the same ratio as the aggregate value of the business conducted by such agricultural co-operative with its members during such year bears to the aggregate value of all business conducted by it during such year;”.

Amendment of section 29 of Act 58 of 1962, as inserted by section 25 of Act 113 of 1993 and amended by section 22 of Act 21 of 1995

16. Section 29 of the principal Act is hereby amended—

- (a) by the substitution in subsection (1) for the definition of “prescribed value” of the following definition:

“ ‘prescribed value’, in relation to the assets required to be held at any time by an insurer in a policyholder fund, means an amount equal to the net liabilities of the insurer in respect of the business conducted by it in the fund concerned in the Republic [or in any country the territory of which formerly formed part of the Republic] determined in the manner as contemplated in section 1(2)(a) of the Insurance Act, but subject to such modifications as may from time to time be determined for the purposes of this section by the Chief Actuary of the Financial Services Board.”;
- (b) by the substitution for paragraph (d) of subsection (4) of the following paragraph:

- bedoelde instrument insluit wat 'n—
 (i) toevallingsbedrag; of
 (ii) bedrag vasgestel ooreenkomstig 'n alternatiewe metode,
 voorstel, welke bedrag as 'n aftrekking van die inkomste van bedoelde
 5 uitreiker gedurende bedoelde jaar van aanslag of 'n vorige jaar van
 aanslag toegelaat is, word bedoelde bedrag by die inkomste van
bedoelde uitreiker gedurende bedoelde jaar van aanslag ingesluit."; en
 (g) deur na subartikel (5) die volgende subartikel in te voeg:
 10 "(5A) 'n Bedrag wat geag is aangegaan te gewees het deur of toe te geval
het aan 'n persoon, na gelang van die geval, ten opsigte van 'n instrument
ingevolge die bepalings van hierdie artikel, word by die toepassing van
hierdie Wet nie meer as een keer afgetrek van, of ingesluit by, na gelang van
die geval, die inkomste van bedoelde persoon vanweë die toepassing van
hierdie artikel nie."
 15 (2)(a) Subartikel (1)(a), (b), (f) en (g) word geag op 16 Maart 1995 in werking te
 getree het en is van toepassing op alle instrumente wat onderworpe is aan die bepalings
 van artikel 24J van die Hoofwet.
 (b) Subartikel (1)(c) tree in werking op die datum van afkondiging van hierdie Wet
 en is van toepassing op alle instrumente uitgereik of oorgedra op of na daardie datum.
 20 (c) Subartikel (1)(d) en (e) word, vir sover dit betrekking het op 'n instrument
 uitgereik op of voor 15 Maart 1995 en wat onafgelos was op 14 Maart 1996 (uitge-
 sonderd 'n reëling beoog in paragrafe (i) en (ii) van die omskrywing van "instrument"
 in artikel 24J(1) van die Hoofwet) geag in werking te getree het vanaf die datum van
 uitreiking of oordrag, na gelang van die geval, van bedoelde instrument aan 'n persoon
 25 wat op 14 Maart 1996 die houer daarvan was en is van toepassing op die houer van
 bedoelde instrument van bedoelde datum van uitreiking of oordrag.

Wysiging van artikel 27 van Wet 58 van 1962, soos gewysig deur artikel 17 van
 Wet 113 van 1977, artikel 11 van Wet 101 van 1978, artikel 19 van Wet 104 van
 1980, artikel 21 van Wet 96 van 1981, artikel 15 van Wet 96 van 1985, artikel 18
 30 van Wet 85 van 1987, artikel 22 van Wet 90 van 1988, artikel 28 van Wet 129 van
 1991, artikel 23 van Wet 141 van 1992 en artikel 23 van Wet 113 van 1993

15. Artikel 27 van die Hoofwet word hierby gewysig deur in subartikel (2) die
 voorbehoudsbepaling by paragraaf (a) deur die volgende voorbehoudsbepaling te
 vervang:
 35 "Met dien verstande dat die bedrae wat as aftrekkings ingevolge hierdie paragraaf
 toegelaat word in totaal 'n bedrag is wat hoogstens in dieselfde verhouding staan
 tot die belastbare inkomste van bedoelde landboukoöperasie vir die jaar van
 aanslag (soos bereken voordat enige aftrekkings ingevolge hierdie paragraaf en
 artikels 11*bis* [13*bis*(7)] en 21*ter* toegelaat word en voordat enige balans van
 40 vasgestelde verlies wat van 'n vorige jaar van aanslag oorgedra is, in vergelyking
 gebring word) as wat die totale waarde van die besigheid deur bedoelde
 landboukoöperasie gedoen met sy lede gedurende bedoelde jaar tot die totale
 waarde van al sy besigheid deur hom gedoen gedurende bedoelde jaar staan;"

Wysiging van artikel 29 van Wet 58 van 1962, soos ingevoeg deur artikel 25 van
 45 Wet 113 van 1993 en gewysig deur artikel 22 van Wet 21 van 1995

16. Artikel 29 van die Hoofwet word hierby gewysig—
 (a) deur in subartikel (1) die omskrywing van "voorgeskrewe waarde" deur die
 volgende omskrywing te vervang:
 50 "‘voorgeskrewe waarde’, met betrekking tot die bates wat vereis word te
 eniger tyd deur 'n versekeraar in 'n polishouerfonds gehou moet word, 'n
 bedrag gelyk aan die netto verpligtinge van die versekeraar ten opsigte van
 die besigheid deur hom in die betrokke fonds gedryf in die Republiek [of in
 'n land waarvan die gebied voorheen deel van die Republiek uitgemaak
 het] vasgestel op die wyse soos beoog in artikel 1(2)(a) van die Verseke-
 55 ringswet, maar behoudens sodanige veranderings as wat van tyd tot tyd vir
 die doeleindes van hierdie artikel deur die Hoofaktuaris van die Raad op
 Finansiële Dienste vasgestel mag word.";
 (b) deur paragraaf (d) van subartikel (4) deur die volgende paragraaf te vervang:

“(d) a fund, to be known as the corporate fund, in which shall be placed all the assets (if any) held by the insurer, and all liabilities owed by it, other than those contemplated in paragraphs (a), (b) and (c) and those relating to business conducted by it elsewhere than in the Republic. **[or in any country the territory of which formerly formed part of the Republic]**”; and

(c) by the substitution for paragraph (b) of subsection (14) of the following paragraph:

“(b) any amount received or accrued from a source outside the Republic in respect of business conducted by the insurer in the Republic, **[or in any country the territory of which formerly formed part of the Republic]** shall be deemed to have been received or accrued from a source within the Republic;”.

Amendment of section 36 of Act 58 of 1962, as amended by section 12 of Act 72 of 1963, section 15 of Act 90 of 1964, section 20 of Act 88 of 1965, section 23 of Act 55 of 1966, section 16 of Act 95 of 1967, section 14 of Act 76 of 1968, section 26 of Act 89 of 1969, section 21 of Act 65 of 1973, section 28 of Act 85 of 1974, section 20 of Act 104 of 1980, section 25 of Act 94 of 1983, section 16 of Act 96 of 1985, section 14 of Act 70 of 1989, section 26 of Act 101 of 1990, section 30 of Act 129 of 1991, section 24 of Act 141 of 1992 and section 29 of Act 113 of 1993

17. Section 36 of the principal Act is hereby amended by the substitution in subsection (1) for the definition of “capital expenditure incurred” of the following definition:

“‘capital expenditure incurred’, for the purpose of determining the amount of capital expenditure incurred during any period in respect of any mine, means the amount (if any) by which the expenditure that is incurred during such period in respect of such mine and is capital expenditure, exceeds the sum of the amounts received or accrued during the said period from disposals of assets the cost of which has in whole or in part been included in capital expenditure taken into account (whether under this Act or any previous Income Tax Act **[or any Income Tax Ordinance of the territory]**) for the purposes of any deduction in respect of such mine under section 15(a) of this Act or the corresponding provisions of any previous Income Tax Act; **[or, in the case of a company, under the said section or section 11(2)(i) of the Income Tax Ordinance, 1961 (Ordinance No. 10 of 1961), of the territory, or the corresponding provisions of any previous Income Tax Ordinance of the territory]**”.

Amendment of section 56 of Act 58 of 1962, as amended by section 18 of Act 90 of 1964, section 25 of Act 55 of 1966, section 33 of Act 89 of 1969, section 38 of Act 85 of 1974, section 21 of Act 113 of 1977, section 13 of Act 101 of 1978, section 23 of Act 96 of 1981, section 31 of Act 94 of 1983, section 4 of Act 30 of 1984, section 28 of Act 121 of 1984, section 18 of Act 96 of 1985, section 21 of Act 85 of 1987, section 26 of Act 90 of 1988, section 28 of Act 141 of 1992 and section 32 of Act 113 of 1993

18. (1) Section 56 of the principal Act is hereby amended—

(a) by the deletion of paragraph (p) of subsection (1); and
(b) by the substitution for paragraph (b) of subsection (2) of the following paragraph:

“(b) so much of the sum of the values of all property disposed of under donations by a donor who is a natural person **[under donations taking effect on or after 16 March 1988]** as does not during any year of assessment exceed **[R20 000: Provided that the donations tax payable in respect of property disposed of by a donor under a donation to or for the benefit of his children which took effect on or before 24 June 1988 shall not exceed the donations tax which would have been payable in respect of such donation under the provisions of this Part before the amendment of those provisions by the Income Tax Act, 1988] R25 000;**”.

- “(d) ’n fonds, wat die korporatiewe fonds heet, waarin al die bates (as daar is) wat deur die versekeraar gehou word, en alle laste wat deur hom verskuldig is, behalwe dié in paragrawe (a), (b) en (c) beoog en dié wat betrekking het op besigheid wat deur hom gedryf word elders as in die Republiek [of ’n land waarvan die gebied voorheen deel van die Republiek uitgemaak het] geplaas word.”; en
- (c) deur paragraaf (b) van subartikel (14) deur die volgende paragraaf te vervang:
- “(b) word ’n bedrag ontvang of toegeval uit ’n bron buite die Republiek ten opsigte van besigheid gedryf deur die versekeraar in die Republiek, [of in ’n land waarvan die gebied voorheen deel van die Republiek uitgemaak het] geag uit ’n bron binne die Republiek ontvang of toegeval te gewees het.”.

Wysiging van artikel 36 van Wet 58 van 1962, soos gewysig deur artikel 12 van Wet 72 van 1963, artikel 15 van Wet 90 van 1964, artikel 20 van Wet 88 van 1965, artikel 23 van Wet 55 van 1966, artikel 16 van Wet 95 van 1967, artikel 14 van Wet 76 van 1968, artikel 26 van Wet 89 van 1969, artikel 21 van Wet 65 van 1973, artikel 28 van Wet 85 van 1974, artikel 20 van Wet 104 van 1980, artikel 25 van Wet 94 van 1983, artikel 16 van Wet 96 van 1985, artikel 14 van Wet 70 van 1989, artikel 26 van Wet 101 van 1990, artikel 30 van Wet 129 van 1991, artikel 24 van Wet 141 van 1992 en artikel 29 van Wet 113 van 1993

17. Artikel 36 van die Hoofwet word hierby gewysig deur in subartikel (11) die omskrywing van “kapitaaluitgawe aangegaan” deur die volgende omskrywing te vervang:
- “ ‘kapitaaluitgawe aangegaan’, ten einde die bedrag van kapitaaluitgawe aangegaan gedurende enige tydperk ten opsigte van ’n myn vas te stel, die bedrag (as daar is) waarmee die uitgawe wat gedurende daardie tydperk aangegaan word ten opsigte van bedoelde myn en wat kapitaaluitgawe is, die som van die bedrae oorskry wat ontvang is of toegeval het gedurende bedoelde tydperk ten opsigte van vandiehandsettings van bates waarvan die koste in die geheel of ten dele ingesluit is by kapitaaluitgawe wat in berekening gebring is (hetsy ingevolge hierdie Wet of ’n vorige Inkomstebelastingwet [of ’n Inkomstebelastingordonnansie van die gebied]) vir die doeleindes van ’n aftrekking ten opsigte van bedoelde myn ingevolge artikel 15(a) van hierdie Wet of die ooreenstemmende bepalings van ’n vorige Inkomstebelastingwet; [of, in die geval van ’n maatskappy, ingevolge bedoelde artikel of artikel 11(2)(i) van die Inkomstebelastingordonnansie, 1961 (Ordonnansie No. 10 van 1961), van die gebied, of die ooreenstemmende bepalings van ’n vorige Inkomstebelastingordonnansie van die gebied]”.

Wysiging van artikel 56 van Wet 58 van 1962, soos gewysig deur artikel 18 van Wet 90 van 1964, artikel 25 van Wet 55 van 1966, artikel 33 van Wet 89 van 1969, artikel 38 van Wet 85 van 1974, artikel 21 van Wet 113 van 1977, artikel 13 van Wet 101 van 1978, artikel 23 van Wet 96 van 1981, artikel 31 van Wet 94 van 1983, artikel 4 van Wet 30 van 1984, artikel 28 van Wet 121 van 1984, artikel 18 van Wet 96 van 1985, artikel 21 van Wet 85 van 1987, artikel 26 van Wet 90 van 1988, artikel 28 van Wet 141 van 1992 en artikel 32 van Wet 113 van 1993

18. (1) Artikel 56 van die Hoofwet word hierby gewysig—
- (a) deur paragraaf (p) van subartikel (1) te skrap; en
- (b) deur paragraaf (b) van subartikel (2) deur die volgende paragraaf te vervang:
- “(b) soveel van die som van die waardes van alle eiendom waarvoor beskik word kragtens skenkings deur ’n skenker wat ’n natuurlike persoon [ingevolge skenkings wat op of na 16 Maart 1988 in werking getree het of tree] is as wat gedurende ’n jaar van aanslag nie [R20 000] R25 000 te bowe gaan nie; [Met dien verstande dat die belasting op geskenke betaalbaar ten opsigte van eiendom waarvoor deur ’n skenker ingevolge ’n skenking beskik word aan of ten voordele van sy kinders wat voor of op 24 Junie 1988 in werking getree het nie meer is nie as die belasting op geskenke wat ingevolge die bepalings van hierdie Deel ten opsigte van bedoelde skenking betaalbaar sou gewees het voor die wysiging van daardie bepalings deur die Inkomstebelastingwet, 1988]”.

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(2)(a) Subsection (1)(a) shall come into operation on the date of promulgation of this Act and shall apply to any property disposed of under a donation which takes place on or after that date.

(b) Subsection (1)(b) shall be deemed to have come into operation as from the commencement of years of assessment ending on or after 28 February 1997.

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Amendment of section 64 of Act 58 of 1962, as substituted by section 30 of Act 90 of 1988

19. (1) Section 64 of the principal Act is hereby amended by the substitution for the expression "15 per cent" of the expression "25 per cent".

(2) Subsection (1) shall be deemed to have come into operation on 14 March 1996 and shall apply to the value of any property disposed of under a donation which takes effect on or after that date.

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Amendment of section 64A of Act 58 of 1962, as inserted by section 4 of Act 136 of 1991 and substituted by section 29 of Act 141 of 1992 and amended by section 33 of Act 113 of 1993 and section 28 of Act 21 of 1995

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20. (1) Section 64A of the principal Act is hereby amended—

(a) by the deletion in subsection (1) of the definition of "leviable amount";

(b) by the substitution for subsection (2) of the following subsection:

"(2) There shall be levied and paid for the benefit of the [State] National Revenue Fund a levy, to be known as the levy on financial services, which is calculated at the rate of 0,75 per cent of

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[(a) in the case of a bank or a branch of a foreign institution within the meaning of the Banks Act, 1990 (Act No. 94 of 1990), or a mutual bank registered in terms of the Mutual Banks Act, 1993 (Act No. 124 of 1993), the leviable amount as determined in relation to every calendar quarter commencing on or after 1 October 1991; and

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(b) in the case of any other person liable under subsection (3)] the interest which accrued to [such] any person liable under subsection (3), during every calendar quarter commencing on or after 1 October 1991, determined in accordance with any generally accepted accounting practice adopted by such person, as applied on the last day of the relevant calendar quarter.";

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(c) by the substitution for the words preceding paragraph (a) of subsection (3) of the following words:

"Persons liable for the levy in terms of subsection (2)[(b)] shall be—";

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(d) by the addition of the word "and" at the end of paragraph (b) of subsection (3);

(e) by the deletion of the word "and" at the end of paragraph (c) of subsection (3); and

(f) by the deletion of paragraph (d) of subsection (3).

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(2) Subsection (1) shall come into operation on 1 October 1996.

Amendment of section 64B of Act 58 of 1962, as inserted by section 34 of Act 113 of 1993 and amended by section 12 of Act 140 of 1993, section 24 of Act 21 of 1994 and section 29 of Act 21 of 1995

21. (1) Section 64B of the principal Act is hereby amended—

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(a) by the substitution in subsection (1) for the words preceding the definition of "declared" of the following words:

"For the purposes of this [section] Part—";

(b) by the insertion in subsection (1) before the definition of "declared" of the following definition:

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"'affected company' means the other company contemplated in the definition of 'holding company';";

(2)(a) Subartikel (1)(a) tree in werking op die datum van afkondiging van hierdie Wet en is van toepassing op enige eiendom van die hand gesit ingevolge 'n skenking wat op of na daardie datum in werking tree.

(b) Subartikel (1)(b) word geag in werking te getree het vanaf die begin van jare van aanslag eindigende op of na 28 Februarie 1997.

Wysiging van artikel 64 van Wet 58 van 1962, soos vervang deur artikel 30 van Wet 90 van 1988

19. (1) Artikel 64 van die Hoofwet word hierby gewysig deur die uitdrukking "15 persent" deur die uitdrukking "25 persent" te vervang.

10 (2) Subartikel (1) word geag op 14 Maart 1996 in werking te getree het en is van toepassing op die waarde van enige eiendom waarvoor beskik word kragtens 'n skenking wat op of na daardie datum in werking tree.

Wysiging van artikel 64A van Wet 58 van 1962, soos ingevoeg deur artikel 4 van Wet 136 van 1991 en vervang deur artikel 29 van Wet 141 van 1992 en gewysig deur artikel 33 van Wet 113 van 1993 en artikel 28 van Wet 21 van 1995

20. (1) Artikel 64A van die Hoofwet word hierby gewysig—

(a) deur in subartikel (1) die omskrywing van "hefbare bedrag" te skrap;

(b) deur subartikel (2) deur die volgende subartikel te vervang:

20 "(2) Daar word ten bate van die [Staatsinkomstefonds] Nasionale Inkomstefonds 'n heffing gehef en betaal, bekend as die heffing op finansiële dienste, wat bereken word teen die skaal van 0,75 persent van

25 [(a) in die geval van 'n bank of 'n tak van 'n buitelandse instelling ooreenkomstig die bedoeling van die Bankwet, 1990 (Wet No. 94 van 1990), of 'n onderlinge bank wat ingevolge die Wet op Onderlinge Banke, 1993 (Wet No. 124 van 1993), geregistreer is, die hefbare bedrag soos vasgestel met betrekking tot elke kalenderkwartaal wat op of na 1 Oktober 1991 'n aanvang neem; en

30 (b) in die geval van enige ander persoon wat ingevolge subartikel (3) aanspreeklik is] die rente wat [bedoelde] 'n persoon wat ingevolge subartikel (3) aanspreeklik is, toegeval het gedurende elke kalenderkwartaal wat op of na 1 Oktober 1991 'n aanvang neem, wat vasgestel word ooreenkomstig enige algemeen aanvaarde rekeningkundige praktyk wat deur bedoelde persoon aangeneem is en op die laaste dag van die tersaaklike kalenderkwartaal toegepas word.";

35 (c) deur die woorde wat paragraaf (a) van subartikel (3) voorafgaan deur die volgende woorde te vervang:

"Persone wat vir die heffing ingevolge subartikel (2)[(b)] aanspreeklik is, is—";

40 (d) deur die woord "en" aan die einde van paragraaf (b) van subartikel (3) by te voeg;

(e) deur die woord "en" aan die einde van paragraaf (c) van subartikel (3) te skrap; en

(f) deur paragraaf (d) van subartikel (3) te skrap.

(2) Subartikel (1) tree op 1 Oktober 1996 in werking.

45 Wysiging van artikel 64B van Wet 58 van 1962, soos ingevoeg deur artikel 34 van Wet 113 van 1993 en gewysig deur artikel 12 van Wet 140 van 1993, artikel 24 van Wet 21 van 1994 en artikel 29 van Wet 21 van 1995

21. Artikel 64B van die Hoofwet word hierby gewysig—

50 (a) deur in subartikel (1) die woorde wat die omskrywing van "dividendsiklus" voorafgaan deur die volgende woorde te vervang:

"By die toepassing van hierdie [artikel] Deel beteken—";

(b) deur in subartikel (1) die volgende omskrywing voor die omskrywing van "dividendsiklus" in te voeg:

55 "‘aandele-aansporingskema’ 'n skema ingevolge waarvan hoogstens 10 persent van die ekwiteitsaandelekapitaal van 'n maatskappy—

(c) by the addition to subsection (1) of the following definitions:

“‘holding company’ means any company which holds for its own benefit whether directly, or indirectly through one or more intermediate companies, together with shares held in terms of a share incentive scheme, all the equity share capital of any other company;

‘intermediate company’ means any company all of whose equity share capital is, together with shares held in terms of a share incentive scheme, held by—

(a) the first-mentioned company in the definition of ‘holding company’; or

(b) (i) one or more companies which are intermediate companies in terms of paragraph (a); or

(ii) a ‘holding company’ and one or more companies referred to in subparagraph (i);

‘share incentive scheme’ means a scheme in terms of which not more than 10 per cent of the equity share capital of a company is—

(a) held by the full-time employees of such company in terms of a share incentive scheme carried on for their own benefit;

(b) held by a trustee for the benefit of such employees, under a scheme referred to in section 38(2)(b) of the Companies Act, 1973 (Act No. 61 of 1973); or

(c) collectively held by both such full-time employees and such a trustee.”;

(d) by the substitution for subsection (2) of the following subsection:

“(2) There shall be levied and paid for the benefit of the [State] National Revenue Fund a tax, to be known as the secondary tax on companies, which is calculated at the rate of [25 per cent] 12,5 per cent of the net amount, as determined in terms of subsection (3), of any dividend declared by any company on or after [22 June 1994] 14 March 1996.”;

(e) by the substitution for paragraph (f) of subsection (5) of the following paragraph:

“(f) any dividend declared by any affected company to [any other] a holding company or intermediate company (other than a holding company or an intermediate company which is a company referred to in paragraph (a)), if—

(i) such [other] holding company or intermediate company, as the case may be, was, on the date of such declaration and throughout the period of 12 months ending on the date of such declaration [held for its own benefit all the equity share capital of such company] a holding company or intermediate company, as the case may be, in relation to such affected company;

(ii) such [other company is a] holding company [which] or intermediate company, as the case may be, has its place of effective management in the Republic and at least 90 per cent of its profits (excluding profits derived by way of dividends) [are] during the three years of assessment immediately preceding the date of such declaration, were derived [solely] from a source within the Republic;

(iiA) such dividend was declared solely out of profits earned by such affected company during any period in which [all its equity share capital was so held by such other company for its own benefit] it was an affected company in relation to such holding company or intermediate company, as the case may be; and

(iii) such affected company has by notice in writing furnished to the Commissioner by not later than the last day on which secondary tax on companies would, but for this exemption, have been payable in respect of the declaration of such dividend or such later date as the Commissioner may approve, elected that such dividend be exempt

- (a) gehou word deur die voltydse werknemers van bedoelde maatskappy ingevolge 'n aandeel-aansporingskema vir hul eie voordeel bedryf;
- (b) gehou word deur 'n trustee vir die voordeel van bedoelde werknemers kragtens 'n skema bedoel in artikel 38(2)(b) van die Maatskappyywet, 1973 (Wet No. 61 van 1973); of
- (c) gesamentlik gehou word deur beide bedoelde voltydse werknemers en so 'n trustee;"
- (c) deur in subartikel (1) die volgende omskrywings na die omskrywing van "dividendsiklus" in te voeg:
- " 'geaffekteerde maatskappy' die ander maatskappy beoog in die omskrywing van 'houermaatskappy' ;
- 'houermaatskappy' 'n maatskappy wat vir sy eie voordeel hetsy regstreeks, of onregstreeks deur een of meer tussenmaatskappye, tesame met aandeel gehou ingevolge 'n aandeel-aansporingskema, al die ekwiteitsaandelekapitaal van 'n ander maatskappy hou;
- 'tussenmaatskappy' 'n maatskappy waarvan al sy ekwiteitsaandelekapitaal, tesame met aandeel gehou ingevolge 'n aandeel-aansporingskema, gehou word deur—
- (a) die eersgenoemde maatskappy in die omskrywing van 'houermaatskappy'; of
- (b) (i) een of meer maatskappye wat tussenmaatskappye ingevolge paragraaf (a) is; of
- (ii) 'n 'houermaatskappy' en een of meer maatskappye bedoel in subparagraaf (i);"
- (d) deur subartikel (2) deur die volgende subartikel te vervang:
- "(2) Daar word ten bate van die [Staatsinkomstefonds] Nasionale Inkomstefonds 'n belasting gehef en betaal, bekend as die sekondêre belasting op maatskappye, wat bereken word teen die koers van **[25 persent]** 12,5 persent van die netto bedrag, soos vasgestel ingevolge subartikel (3), van 'n dividend deur 'n maatskappy op of na **[22 Junie 1994]** 14 Maart 1996 verklaar."
- (e) deur paragraaf (f) van subartikel (5) deur die volgende paragraaf te vervang:
- "(f) 'n dividend verklaar deur 'n geaffekteerde maatskappy aan 'n **[ander maatskappy]** houer- of 'n tussenmaatskappy (behalwe 'n houer- of tussenmaatskappy wat 'n maatskappy bedoel in paragraaf (a) is) indien—
- (i) bedoelde **[ander maatskappy]** houer- of tussenmaatskappy, na gelang van die geval, op die datum van bedoelde verklaring en gedurende die tydperk van 12 maande eindigende op die datum van bedoelde verklaring, **[al die ekwiteitsaandelekapitaal van bedoelde maatskappy tot sy eie voordeel gehou het]** 'n houer- of tussenmaatskappy, na gelang van die geval, met betrekking tot bedoelde geaffekteerde maatskappy was;
- (ii) bedoelde **[ander maatskappy]** houer- of tussenmaatskappy, na gelang van die geval, 'n maatskappy is wie se plek van effektiewe bestuur binne die Republiek is en **[wie se]** ten minste 90 persent van sy winste (behalwe winste verkry by wyse van dividende) **[uitsluitlik]** gedurende die drie jaar van aanslag wat die datum van bedoelde verklaring onmiddellik voorafgaan uit 'n bron in die Republiek verkry **[word]** is;
- (iiA) bedoelde dividend verklaar is alleenlik uit winste deur bedoelde geaffekteerde maatskappy verdien gedurende 'n tydperk waarin **[al sy ekwiteitsaandelekapitaal aldus deur bedoelde ander maatskappy vir sy eie voordeel gehou is]** dit 'n geaffekteerde maatskappy met betrekking tot bedoelde houer- of tussenmaatskappy, na gelang van die geval, was; en
- (iii) bedoelde geaffekteerde maatskappy by skriftelike kennisgewing aan die Kommissaris verstrek, nie later nie as die laaste dag waarop sekondêre belasting op maatskappye, by ontstentenis van hierdie vrystelling, ten opsigte van die verklaring van bedoelde dividend betaalbaar sou gewees het, of sodanige latere datum as wat die Kommissaris mag goedkeur, gekies het dat sodanige dividend

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- from the payment of secondary tax on companies in terms of this paragraph; **[and]**”;
- (f) by the substitution for paragraph (g) of subsection (5) of the following paragraph:
- “(g) any dividend **[distributed]** declared by a company which carries on long-term insurance business out of profits derived during any year of assessment commencing prior to 1 July 1993;”;
- (g) by the addition of the word “and” at the end of paragraph (g) of subsection (5); and
- (h) by the addition to subsection (5) of the following paragraph:
- “(h) in the case of any company which has its place of effective management outside the Republic and which carries on a trade through a branch or an agency within the Republic, any dividend declared by such company out of profits (excluding profits derived from the mining for gold and from carrying on long-term insurance business) derived through such branch or agency.”.
- (2)(a) Subsection (1)(a), (b), (c) and (e) shall come into operation on 1 August 1996 and shall apply to any dividend declared on or after that date.
- (b) Subsection (1)(h) shall apply in respect of any dividend declared during any year of assessment ending on or after 1 April 1996.

Amendment of section 64C of Act 58 of 1962, as inserted by section 34 of Act 113 of 1993 and amended by section 13 of Act 140 of 1993, section 25 of Act 21 of 1994 and section 30 of Act 21 of 1995

22. (1) Section 64C of the principal Act is hereby amended by the substitution for paragraph (g) of subsection (4) of the following paragraphs:
- “(g) to a loan made by any company to any other company, if such loan is utilised by such other company in the Republic and the equity share capital of
- [(i) one of such companies is held by the other such company; or**
- (ii)] both such companies is held by the same person or persons;**
- (h) to a loan made by any affected company to—
- (i) a holding company, in relation to such affected company; or
- (ii) any other affected company, where both such affected companies are directly or indirectly held by the same holding company, if such loan is utilised by such holding company or other affected company, as the case may be, in the Republic; and”.
- (2) Subsection (1) shall come into operation on 1 August 1996 and shall apply to any loan made on or after that date.

Amendment of section 79 of Act 58 of 1962, as amended by section 26 of Act 69 of 1975, section 23 of Act 91 of 1982 and section 32 of Act 21 of 1995

23. (1) Section 79 of the principal Act is hereby amended by the substitution in subsection (1) for the second proviso of the following proviso:
- “Provided further that where the Commissioner has in respect of any year of assessment made an assessment upon any company for normal tax purposes he shall not after the expiration of three years from the date of the said assessment (or, where more than one such assessment has been made, from the date of the latest of such assessments) make any assessment in respect of any amount of undistributed profits tax or secondary tax on companies payable by the company in respect of the said year, unless the Commissioner is satisfied that the fact that an assessment in respect of the said amount was not previously made was due to fraud or misrepresentation or non-disclosure of material facts.”.
- (2) Subsection (1) shall be deemed to have come into operation on 17 March 1993.

vrygestel word van die betaling van sekondêre belasting op maatskappye ingevolge hierdie paragraaf; **[en]**”;

(f) deur in die Engelse teks paragraaf (g) van subartikel (5) deur die volgende paragraaf te vervang:

5 “(g) any dividend **[distributed]** declared by a company which carries on long-term insurance business out of profits derived during any year of assessment commencing prior to 1 July 1993;”;

(g) deur die woord “en” aan die einde van paragraaf (g) van subartikel (5) by te voeg; en

10 (h) deur die volgende paragraaf by subartikel (5) te voeg:

“(h) in die geval van ’n maatskappy wie se plek van effektiewe bestuur buite die Republiek geleë is en wat ’n bedryf deur ’n tak of agentskap binne die Republiek beoefen, ’n dividend deur bedoelde maatskappy uit winste (uitgesonderd winste wat uit die myn van goud en uit die dryf van langtermynversekeringsbesigheid verkry word) deur bedoelde tak of agentskap verkry, verklaar.”.

(2)(a) Subartikel (1)(a), (b), (c) en (e) tree op 1 Augustus 1996 in werking en is van toepassing op enige dividend op of na daardie datum verklaar.

(b) Subartikel (1)(h) is van toepassing ten opsigte van enige dividend gedurende ’n 20 jaar van aanslag eindigende op of na 1 April 1996, verklaar.

Wysiging van artikel 64C van Wet 58 van 1962, soos ingevoeg deur artikel 34 van Wet 113 van 1993 en gewysig deur artikel 13 van Wet 140 van 1993, artikel 25 van Wet 21 van 1994 en artikel 30 van Wet 21 van 1995

22. (1) Artikel 64C van die Hoofwet word hierby gewysig deur paragraaf (g) van subartikel (4) deur die volgende paragrafe te vervang:

“(g) op enige lening deur een maatskappy aan ’n ander maatskappy gemaak, indien bedoelde lening binne die Republiek deur bedoelde ander maatskappy aangewend word en die ekwiteitsaandelekapitaal van

30 [(i) **een van bedoelde maatskappye deur bedoelde ander maatskappy gehou word; of**

(ii)] beide bedoelde maatskappye deur dieselfde persoon of persone gehou word;

(h) op enige lening gemaak deur ’n geaffekteerde maatskappy aan—

35 (i) ’n houermaatskappy, met betrekking tot bedoelde geaffekteerde maatskappy; of

(ii) enige ander geaffekteerde maatskappy, waar beide bedoelde geaffekteerde maatskappye regstreeks of onregstreeks deur dieselfde houermaatskappy gehou word,

40 indien bedoelde lening binne die Republiek deur bedoelde houermaatskappy of ander geaffekteerde maatskappy, na gelang van die geval, aangewend word; en”.

(2) Subartikel (1) tree op 1 Augustus 1996 in werking en is van toepassing op enige lening op of na daardie datum gemaak.

Wysiging van artikel 79 van Wet 58 van 1962, soos gewysig deur artikel 26 van Wet 69 van 1975, artikel 23 van Wet 91 van 1982 en artikel 32 van Wet 21 van 1995

23. (1) Artikel 79 van die Hoofwet word hierby gewysig deur in subartikel (1) die tweede voorbehoudsbepaling deur die volgende voorbehoudsbepaling te vervang:

50 “Met dien verstande voorts dat waar die Kommissaris ten opsigte van ’n jaar van aanslag ’n aanslag vir ’n maatskappy vir normale belastingdoeleindes gedoen het, hy nie na verstryking van drie jaar vanaf die datum van bedoelde aanslag (of, waar meer as een so ’n aanslag gedoen is, vanaf die datum van die jongste van bedoelde aanslae) ’n aanslag doen nie ten opsigte van ’n bedrag aan belasting op onuitgekeerde winste of sekondêre belasting op maatskappye wat deur die maatskappy ten opsigte van bedoelde jaar betaalbaar is, tensy die Kommissaris oortuig is dat die feit dat ’n aanslag ten opsigte van bedoelde bedrag nie voorheen gedoen is nie, te wyte is aan bedrog of wanvoorstelling of verswyging van ter sake dienende feite.”.

(2) Subartikel (1) word geag op 17 Maart 1993 in werking te getree het.

Amendment of section 89quat of Act 58 of 1962, as inserted by section 34 of Act 121 of 1984 and substituted by section 22 of Act 65 of 1986 and amended by section 18 of Act 70 of 1989, section 42 of Act 113 of 1993, section 15 of Act 140 of 1993 and section 33 of Act 21 of 1995

24. (1) Section 89quat of the principal Act is hereby amended by the substitution for subsections (3) and (3A) of the following subsections, respectively: 5

“(3) Where the Commissioner having regard to the circumstances of the case is satisfied that any amount has been included in the taxpayer’s taxable income or that any deduction or allowance claimed by the taxpayer has not been allowed, and the taxpayer has on reasonable grounds contended that such amount should not have been so included or that such deduction or allowance should have been allowed, the Commissioner may, subject to the provisions of section 103(6), direct that interest shall not be paid by the taxpayer on so much of the said normal tax as is attributable to the inclusion of such amount or the disallowance of such deduction or allowance. 10 15

(3A) Where any natural person has, in respect of the year of assessment during which he for the first time became a provisional taxpayer, become liable for the payment of interest under subsection (2), the Commissioner may, subject to the provisions of section 103(6), if he is satisfied that the circumstances warrant such action, direct that interest shall not be paid by such person in respect of such year of assessment.”. 20

(2) Subsection (1) shall come into operation on the date of promulgation of this Act and shall apply to any interest attributable to any tax arising from the application of the provisions of section 103(1) of the principal Act to any transaction, operation or scheme entered into or carried out on or after that date. 25

Amendment of section 89quin of Act 58 of 1962, as inserted by section 34 of Act 121 of 1984

25. Section 89quin of the principal Act is hereby amended by the substitution for paragraph (a) of the following paragraph:

“(a) any interest is payable under the provisions of section 88, 89, 89bis or 89quat; [or paragraph 22 of the Sixth Schedule]”. 30

Amendment of section 91 of Act 58 of 1962, as amended by section 16 of Act 6 of 1963, section 26 of Act 55 of 1966, section 38 of Act 89 of 1969, section 36 of Act 121 of 1984 and section 39 of Act 129 of 1991

26. Section 91 of the principal Act is hereby amended by the substitution for subsection (2) of the following subsection: 35

“(2) Notwithstanding anything contained in the Magistrates’ Courts Act, 1944 (Act No. 32 of 1944), [or the Magistrates’ Courts Ordinance, 1963 (Ordinance No. 29 of 1963), of the territory] a statement for any amount whatsoever may be filed in terms of subsection (1)(b) with the clerk of the court of the magistrate having jurisdiction in respect of the person by whom such amount is payable in accordance with the provisions of this Act.”. 40

Amendment of section 101 of Act 58 of 1962, as amended by section 29 of Act 90 of 1962, section 22 of Act 52 of 1970, section 39 of Act 94 of 1983 and section 40 of Act 129 of 1991 45

27. (1) Section 101 of the principal Act is hereby amended by the substitution for the expression “R10” in subsection (8) of the expression “R25”.

(2) Subsection (1) shall come into operation on the date of promulgation of this Act and shall apply to any failure or default to act on or after that date.

Amendment of section 102A of Act 58 of 1962, as inserted by section 40 of Act 94 of 1983 50

28. (1) Section 102A of the principal Act is hereby amended by the substitution for the expression “R10” of the expression “R25”.

Wysiging van artikel 89quat van Wet 58 van 1962, soos ingevoeg deur artikel 34 van Wet 121 van 1984 en vervang deur artikel 22 van Wet 65 van 1986 en gewysig deur artikel 18 van Wet 70 van 1989, artikel 42 van Wet 113 van 1993, artikel 15 van Wet 140 van 1993 en artikel 33 van Wet 21 van 1995

5 **24.** (1) Artikel 89quat van die Hoofwet word hierby gewysig deur subartikels (3) en (3A) deur onderskeidelik die volgende subartikels te vervang:

10 “(3) Waar die Kommissaris met inagneming van die omstandighede van die geval oortuig is dat ’n bedrag in die belastingpligtige se belasbare inkomste ingesluit is of dat ’n aftrekking of vermindering wat deur die belastingpligtige geëis is, nie toegelaat is nie, en die belastingpligtige op redelike gronde aangevoer het dat bedoelde bedrag nie aldus ingesluit moes gewees het nie of dat bedoelde aftrekking of vermindering toegelaat moes gewees het, kan die Kommissaris, behoudens die bepalings van artikel 103(6), gelas dat rente nie deur die belastingpligtige betaal word nie op soveel van genoemde normale belasting as
15 wat toeskryfbaar is aan die insluiting van bedoelde bedrag of die verwerping van bedoelde aftrekking of vermindering.

20 (3A) Waar ’n natuurlike persoon ten opsigte van die jaar van aanslag waarin hy vir die eerste keer ’n voorlopige belastingpligtige geword het, aanspreeklik word vir die betaling van rente kragtens subartikel (2), kan die Kommissaris, behoudens die bepalings van artikel 103(6), indien hy oortuig is dat die omstandighede sodanige optrede regverdig, gelas dat rente nie deur bedoelde persoon ten opsigte van bedoelde jaar van aanslag betaal word nie.”

25 (2) Subartikel (1) tree in werking op die datum van afkondiging van hierdie Wet en is van toepassing op enige rente toeskryfbaar aan enige belasting wat voortspruit uit die toepassing van die bepalings van artikel 103(1) van die Hoofwet op enige transaksie, handeling of skema aangegaan of uitgevoer op of na daardie datum.

Wysiging van artikel 89quin van Wet 58 van 1962, soos ingevoeg deur artikel 34 van Wet 121 van 1984

30 **25.** Artikel 89quin van die Hoofwet word hierby gewysig deur paragraaf (a) deur die volgende paragraaf te vervang:

“(a) enige rente ingevolge die bepalings van artikel 88, 89, 89bis of 89quat [of paragraaf 22 van die Sesde Bylae] betaalbaar is;”

35 **Wysiging van artikel 91 van Wet 58 van 1962, soos gewysig deur artikel 16 van Wet 6 van 1963, artikel 26 van Wet 55 van 1966, artikel 38 van Wet 89 van 1969, artikel 36 van Wet 121 van 1984 en artikel 39 van Wet 129 van 1991**

40 **26.** Artikel 91 van die Hoofwet word hierby gewysig deur subartikel (2) deur die volgende subartikel te vervang:

“(2) Ondanks enige bepaling van die Wet op Landdroshowe, 1944 (Wet No. 32 van 1944), [of die Ordonnansie op Landdroshowe, 1963 (Ordonnansie No. 29 van 1963), van die gebied] kan ’n verklaring ten opsigte van enige bedrag hoegenaamd ingevolge subartikel (1)(b) ingedien word by die klerk van die hof van die landdros wat regsbevoeg is ten aansien van die persoon deur wie sodanige bedrag ooreenkomstig die bepalings van hierdie Wet betaalbaar is.”

45 **Wysiging van artikel 101 van Wet 58 van 1962, soos gewysig deur artikel 29 van Wet 90 van 1962, artikel 22 van Wet 52 van 1970, artikel 39 van Wet 94 van 1983 en artikel 40 van Wet 129 van 1991**

50 **27.** (1) Artikel 101 van die Hoofwet word hierby gewysig deur die uitdrukking “R10” in subartikel (8) deur die uitdrukking “R25” te vervang.

(2) Subartikel (1) tree in werking op die datum van afkondiging van hierdie Wet en is van toepassing op enige gebrek of versuim om ’n handeling op of na daardie datum te verrig.

Wysiging van artikel 102A van Wet 58 van 1962, soos ingevoeg deur artikel 40 van Wet 94 van 1983

55 **28.** (1) Artikel 102A van die Hoofwet word hierby gewysig deur die uitdrukking “R10” deur die uitdrukking “R25” te vervang.

Act No. 36, 1996

INCOME TAX ACT, 1996

(2) Subsection (1) shall come into operation on the date of promulgation of this Act and shall apply to any excess arising on or after that date.

Amendment of section 103 of Act 58 of 1962, as amended by section 14 of Act 101 of 1978, section 37 of Act 121 of 1984 and section 19 of Act 70 of 1989

29. Section 103 of the principal Act is hereby amended— 5

(a) by the substitution for subparagraph (i) of paragraph (b) of subsection (1) of the following subparagraph:

“(i) was entered into or carried out—

(aa) in the case of a transaction, operation or scheme in the context of business, in a manner which would not normally be employed for *bona fide* business purposes, other than the obtaining of a tax benefit; and 10

(bb) in the case of any other transaction, operation or scheme, being a transaction, operation or scheme not falling within the provisions of item (aa), by means or in a manner which would not normally be employed in the entering into or carrying out of a transaction, operation or scheme of the nature of the transaction, operation or scheme in question; or”; 15

(b) by the substitution for paragraph (c) of subsection (1) of the following paragraph: 20

“(c) was entered into or carried out solely or mainly for the purposes of [the avoidance or the postponement of liability for the payment of any tax, duty or levy (whether imposed by this Act or any previous Income Tax Act or any other law administered by the Commissioner) or the reduction of the amount of such liability] obtaining a tax benefit.”; and 25

(c) by the addition of the following subsections:

“(6) Where the Commissioner has applied the provisions of this section in the determination of any taxpayer’s liability for any tax, duty or levy imposed in terms of this Act, the Commissioner shall not exercise his discretion in terms of the provisions of section 89quat(3) or (3A) so as to direct that interest shall not be payable in respect of that portion of any tax which is attributable to the application of this section. 30

(7) For the purposes of subsection (1) ‘tax benefit’ includes any avoidance, postponement or reduction of liability for payment of any tax, duty or levy imposed by this Act or by any other law administered by the Commissioner.”. 35

(2) Subsection (1) shall come into operation on the date of promulgation of this Act and shall apply to any transaction, operation or scheme entered into or carried out on or after that date: Provided that the provisions of section 103 of the principal Act shall, in relation to any transaction, operation or scheme entered into or carried out before that date, continue to apply as if subsection (1) had not been enacted. 40

Amendment of paragraph 4 of First Schedule to Act 58 of 1962, as amended by section 17 of Act 72 of 1963, section 41 of Act 89 of 1969, section 42 of Act 94 of 1983 and section 43 of Act 113 of 1993

30. Paragraph 4 of the First Schedule to the principal Act is hereby amended by the deletion of subparagraph (2). 45

Amendment of paragraph 5 of First Schedule to Act 58 of 1962, as substituted by section 18 of Act 72 of 1963 and amended by section 23 of Act 52 of 1970, section 30 of Act 88 of 1971, section 28 of Act 103 of 1976, section 23 of Act 104 of 1980 and section 26 of Act 96 of 1981 50

31. Paragraph 5 of the First Schedule to the principal Act is hereby amended—

(a) by the substitution for subparagraph (1) of the following subparagraph:

(2) Subartikel (1) tree in werking op die datum van afkondiging van hierdie Wet en is van toepassing op enige oorskot wat op of na daardie datum ontstaan.

Wysiging van artikel 103 van Wet 58 van 1962, soos gewysig deur artikel 14 van Wet 101 van 1978, artikel 37 van Wet 121 van 1984 en artikel 19 van Wet 70 van 1989

29. Artikel 103 van die Hoofwet word hierby gewysig—

(a) deur subparagraaf (i) van paragraaf (b) van subartikel (1) deur die volgende subparagraaf te vervang:

“(i) aangegaan, verrig of uitgevoer was—

10 (aa) in die geval van ’n transaksie, handeling of skema in die konteks van besigheid, op ’n wyse wat nie normaalweg vir *bona fide*-sake-doeleindes, behalwe die verkryging van ’n belastingvoordeel, gebruik sou word nie; en

15 (bb) in die geval van enige ander transaksie, handeling of skema, synde ’n transaksie, handeling of skema wat nie binne die bepalings van item (aa) val nie, deur middele of op ’n wyse wat nie normaalweg by die aangaan, verrigting of uitvoering van ’n transaksie, handeling of skema van die aard van die onderhawige transaksie, handeling of skema aangewend sou word nie; of”;

20 (b) deur paragraaf (c) van subartikel (1) deur die volgende paragraaf te vervang:

25 “(c) aangegaan, verrig of uitgevoer was uitsluitlik of hoofsaaklik vir die doeleindes van die [vermyding of die uitstel van aanspreeklikheid vir die betaling van ’n belasting of heffing (hetsy opgelê deur hierdie Wet of ’n vorige Inkomstebelastingwet of ’n ander wet deur die Kommissaris uitgevoer) of die vermindering van die bedrag van bedoelde belastingpligtigheid] verkryging van ’n belastingvoordeel,”;

en

(c) deur die volgende subartikels by te voeg:

30 “(6) Waar die Kommissaris die bepalings van hierdie artikel by die vasstelling van ’n belastingpligtige se aanspreeklikheid van ’n belasting, reg of heffing ingevolge hierdie Wet opgelê, toegepas het, oefen die Kommissaris nie sy diskresie ingevolge die bepalings van artikel 89^{quat}(3) of (3A) aldus uit as om te gelas dat rente nie ten opsigte van daardie gedeelte van enige belasting wat toeskryfbaar is aan die toepassing van hierdie artikel, betaalbaar is nie.

35 (7) By die toepassing van subartikel (1) sluit ‘belastingvoordeel’ in ’n vermyding, uitstel of vermindering van aanspreeklikheid vir die betaling van ’n belasting, reg of heffing deur hierdie Wet of ’n ander wet deur die Kommissaris uitgevoer, opgelê.”.

40 (2) Subartikel (1) tree in werking op die datum van afkondiging van hierdie Wet en is van toepassing op enige transaksie, handeling of skema aangegaan of uitgevoer op of na daardie datum: Met dien verstande dat die bepalings van artikel 103 van die Hoofwet, met betrekking tot enige transaksie, handeling of skema aangegaan of uitgevoer voor daardie datum, voortgaan om van toepassing te wees, asof subartikel (1)

45 nie verorden was nie.

Wysiging van paragraaf 4 van Eerste Bylae by Wet 58 van 1962, soos gewysig deur artikel 17 van Wet 72 van 1963, artikel 41 van Wet 89 van 1969, artikel 42 van Wet 94 van 1983 en artikel 43 van Wet 113 van 1993

50 30. Paragraaf 4 van die Eerste Bylae by die Hoofwet word hierby gewysig deur subparagraaf (2) te skrap.

Wysiging van paragraaf 5 van Eerste Bylae by Wet 58 van 1962, soos vervang deur artikel 18 van Wet 72 van 1963 en gewysig deur artikel 23 van Wet 52 van 1970, artikel 30 van Wet 88 van 1971, artikel 28 van Wet 103 van 1976, artikel 23 van Wet 104 van 1980 en artikel 26 van Wet 96 van 1981

55 31. Paragraaf 5 van die Eerste Bylae by die Hoofwet word hierby gewysig—

(a) deur subparagraaf (1) deur die volgende subparagraaf te vervang:

“(1) The value to be placed upon livestock for the purposes of this Schedule shall, subject to the provisions of paragraph 4(1) and subparagraph (2) of this paragraph

- [(a) as respects livestock held and not disposed of at the end of the year of assessment ending on 28 February 1982—** 5
- (i) in respect of purchased breeding stock, as defined in subparagraph (1A), which was acquired by the farmer during the year of assessment ended on 28 February 1981 or ending on 28 February 1982, be the purchase price incurred by the farmer in respect of such stock, less an amount equal to— 10
- (aa) seventy-five per cent of such purchase price, if such stock was acquired by the farmer during the year of assessment ended on 28 February 1981; or
- (bb) fifty per cent of such purchase price, if such stock was acquired by the farmer during the year of assessment ending on 28 February 1982; and 15
- (ii) in respect of livestock other than livestock referred to in subitem (i), be the standard value applicable to the livestock; and
- (b) as respects livestock held and not disposed of at the end of the year of assessment, [ending on 28 February 1983 or any succeeding year of assessment] be the standard value applicable to the livestock.”; and 20
- (b) by the deletion of subparagraph (1A).

Amendment of paragraph 11 of First Schedule to Act 58 of 1962, as substituted by section 44 of Act 113 of 1993 25

32. The following paragraph is hereby substituted for paragraph 11 of the First Schedule to the principal Act:

- “11. If during any year of assessment livestock or produce—
- [has been donated by any farmer or]**
- (a) has been applied by the farmer for his private or domestic use or consumption; 30
- (b) has, for purposes other than that of the production to **[him]** the farmer of income from sources within the Republic, been removed by him from the Republic; or
- (c) (i) has been donated by the farmer;
- (ii) has been disposed of by the farmer, other than in the ordinary course of his farming operations, for a consideration less than the market value thereof; 35
- (iii) where the farmer is a company, **[and any livestock or produce]** has on or after 21 June 1993 been distributed *in specie* (whether such distribution occurred by means of a dividend, including a liquidation dividend, a total or partial reduction of capital (including any share premium) or a redemption of redeemable preference shares) to a shareholder of such company; or 40
- (iv) has been applied by the farmer for any other purpose other than the disposal thereof in the ordinary course of his farming operations and under circumstances other than those contemplated in subparagraph (a) or (b) or item (i), (ii) or (iii) of this subparagraph, 45
- there shall be included in the income of such farmer for that year of assessment—
- (A) where such livestock or produce has been applied in a manner contemplated in subparagraph (a), an amount equal to the cost price to him of such livestock or produce, or where the cost price cannot be readily determined, the market value of such livestock or produce; or 50
- (B) where such livestock or produce has been applied, disposed of or distributed in a manner contemplated in subparagraph (b) or (c), an amount equal to the **[current]** market value of such livestock or produce: 55

- “(1) Die waarde wat vir die doeleindes van hierdie Bylae op lewende hawe gestel moet word, is, behoudens die bepalinge van paragraaf 4(1) en subparagraaf (2) van hierdie paragraaf
- 5 [(a) met betrekking tot lewende hawe wat aan die end van die jaar van aanslag eindigende op 28 Februarie 1982 besit word en nie van die hand gesit is nie—
- (i) ten opsigte van aangekoopte aanteelvennoot, soos in subparagraaf (1A) omskryf, wat gedurende die jaar van aanslag geëindig op 28 Februarie 1981 of eindigende op 28 Februarie 1982 deur die boer verkry is, die koopprys deur die boer ten opsigte van die vee aangegaan, min ’n bedrag gelyk aan—
- 10 (aa) vyf-en-sewentig persent van bedoelde koopprys, indien bedoelde lewende hawe gedurende die jaar van aanslag geëindig op 28 Februarie 1981 deur die boer verkry is; of
- 15 (bb) vyftig persent van bedoelde koopprys, indien bedoelde lewende hawe gedurende die jaar van aanslag eindigende op 28 Februarie 1982 deur die boer verkry is; en
- (ii) ten opsigte van ander lewende hawe as dié in subitem (i) bedoel, die standaardwaarde wat op die lewende hawe van toepassing is; en
- 20 (b)] met betrekking tot lewende hawe wat aan die end van die jaar van aanslag [eindigende op 28 Februarie 1983 of ’n daaropvolgende jaar van aanslag] besit word en nie van die hand gesit is nie, die standaardwaarde wat op die lewende hawe van toepassing is.”; en
- 25 (b) deur subparagraaf (1A) te skrap.

Wysiging van paragraaf 11 van Eerste Bylae by Wet 58 van 1962, soos vervang deur artikel 44 van Wet 113 van 1993

32. Paragraaf 11 van die Eerste Bylae by die Hoofwet word hierby deur die volgende paragraaf vervang:

- 30 “11. Indien lewende hawe of produkte gedurende ’n jaar van aanslag—
- [deur ’n boer geskenk is of]
- (a) deur die boer vir sy private of huishoudelike gebruik of verbruik aangewend is;
- (b) vir ander doeleindes as die verkryging deur [hom] die boer van inkomste uit bronne binne die Republiek deur hom uit die Republiek verwyder is; of
- 35 (c) (i) deur die boer geskenk is;
- (ii) deur die boer vervreem is, behalwe in die gewone loop van sy boerderybedrywighede, teen ’n vergoeding wat minder as die markwaarde daarvan is;
- 40 (iii) waar die boer ’n maatskappy is, [en enige lewende hawe of produkte] op of na 21 Junie 1993 aan ’n aandeelhouer van bedoelde maatskappy in spesie uitgekeer is (hetsy daardie uitkering plaasgevind het by wyse van ’n dividend, met inbegrip van ’n likwidasië-dividend, ’n algehele of gedeeltelike vermindering van kapitaal (met inbegrip van enige aandelepremie) of ’n aflossing van aflosbare voorkeuraandeel); of
- 45 (iv) deur die boer vir ’n ander doel aangewend is behalwe die vervreemding daarvan in die gewone loop van sy boerderybedrywighede en onder omstandighede behalwe daardie beoog in subparagraaf (a) of (b) of item (i), (ii) of (iii) van hierdie subparagraaf,
- 50 word daar by die inkomste van bedoelde boer vir daardie jaar van aanslag—
- (A) waar bedoelde lewende hawe of produkte aangewend is op ’n wyse beoog in subparagraaf (a), ’n bedrag ingereken gelyk aan die kosprys van bedoelde lewende hawe of produkte vir hom, of waar die kosprys nie geredelik vasgestel kan word nie, die markwaarde van bedoelde lewende hawe of produkte; of
- 55 (B) waar bedoelde lewende hawe of produkte aangewend, vervreem of uitgekeer is op ’n wyse beoog in subparagraaf (b) of (c), ’n bedrag ingereken gelyk aan die [heersende] markwaarde van daardie lewende hawe of produkte:

Provided that where—

- (a) any livestock or produce so applied, is used or consumed by the farmer in the ordinary course of his farming operations, the amount included in his income under this paragraph shall for the purposes of this Act be deemed to be expenditure incurred in respect of the acquisition by him of such livestock or produce; or
- (b) the provisions of subparagraph (c)(ii) are applicable and an amount of consideration as contemplated in such subparagraph has been received by or accrued to the farmer, the amount included in his income in terms of this paragraph shall be reduced by such consideration.”.

Deletion of paragraph 18 of First Schedule to Act 58 of 1962

33. Paragraph 18 of the First Schedule to the principal Act is hereby deleted.

Amendment of paragraph 1 of Fourth Schedule to Act 58 of 1962, as added by section 19 of Act 6 of 1963 and amended by section 22 of Act 72 of 1963, section 44 of Act 89 of 1969, section 24 of Act 52 of 1970, section 37 of Act 88 of 1971, section 47 of Act 85 of 1974, section 6 of Act 30 of 1984, section 38 of Act 121 of 1984, section 20 of Act 70 of 1989, section 44 of Act 101 of 1990, section 44 of Act 129 of 1991, section 33 of Act 141 of 1992, section 48 of Act 113 of 1993, section 16 of Act 140 of 1993 and section 37 of Act 21 of 1995

34. Paragraph 1 of the Fourth Schedule to the principal Act is hereby amended by the deletion of paragraph (i) of the definition of “remuneration”.

Amendment of paragraph 11B of Fourth Schedule to Act 58 of 1962, as inserted by section 41 of Act 90 of 1988 and amended by section 22 of Act 70 of 1989, section 47 of Act 101 of 1990, section 46 of Act 129 of 1991, section 34 of Act 141 of 1992, section 3 of Act 168 of 1993 and section 40 of Act 21 of 1995

35. Paragraph 11B of the Fourth Schedule to the principal Act is hereby amended—

- (a) by the addition in subparagraph (1) to the definition of “tax period” of the following proviso:
 “Provided that where any employer has for the purposes of paragraph 15 applied for separate registration of branches of his undertaking, each such branch shall for the purposes of this definition be deemed at the option of the employer to be a separate employer;” and
- (b) by the addition to subparagraph (4A) of the following proviso:
 “Provided that the provisions of this subparagraph shall not apply in respect of any application for amendment of the determination of the amount of Standard Income Tax on Employees received by the Commissioner on or after 1 December 1996.”.

Amendment of paragraph 15 of Fourth Schedule to Act 58 of 1962, as added by section 19 of Act 6 of 1963 and amended by section 7 of Act 30 of 1984 and section 43 of Act 21 of 1995

36. Paragraph 15 of the Fourth Schedule to the principal Act is hereby amended by the substitution for subparagraph (1) of the following subparagraph:

- “(1) Every person who is an employer shall apply to the Commissioner in such form as the Commissioner may prescribe for registration as an employer
- [(a) in the case of a person who is an employer on the first day of March, 1963, not later than the thirty-first day of March, 1963; and
- (b) in the case of a person who becomes an employer after the first day of March, 1963] within 14 days after becoming an employer, or [in either such

Met dien verstande dat waar—

- (a) enige lewende hawe of produkte aldus aangewend deur die boer in die gewone loop van sy boerderybedrywighede gebruik of verbruik word, die bedrag wat ingevolge hierdie paragraaf in sy inkomste ingereken is, by die
5 toepassing van hierdie Wet geag word onkoste te wees wat ten opsigte van die verkryging van bedoelde lewende hawe of produkte deur hom aangegaan is; of
- (b) die bepalings van subparagraaf (c)(ii) van toepassing is en 'n bedrag aan vergoeding soos beoog in daardie subparagraaf deur die boer ontvang is of
10 aan hom toegeval het, die bedrag wat ingevolge hierdie paragraaf in sy inkomste ingereken word met bedoelde vergoeding verminder word.”.

Skrapping van paragraaf 18 van Eerste Bylae by Wet 58 van 1962

33. Paragraaf 18 van die Eerste Bylae by die Hoofwet word hierby geskrap.

15 Wysiging van paragraaf 1 van Vierde Bylae by Wet 58 van 1962, soos bygevoeg deur artikel 19 van Wet 6 van 1963 en gewysig deur artikel 22 van Wet 72 van 1963, artikel 44 van Wet 89 van 1969, artikel 24 van Wet 52 van 1970, artikel 37 van Wet 88 van 1971, artikel 47 van Wet 85 van 1974, artikel 6 van Wet 30 van 1984, artikel 38 van Wet 121 van 1984, artikel 20 van Wet 70 van 1989, artikel 44 van Wet 101 van 1990, artikel 44 van Wet 129 van 1991, artikel 33 van Wet 141
20 van 1992, artikel 48 van Wet 113 van 1993, artikel 16 van Wet 140 van 1993 en artikel 37 van Wet 21 van 1995

34. Paragraaf 1 van die Vierde Bylae by die Hoofwet word hierby gewysig deur paragraaf (i) van die omskrywing van “besoldiging” te skrap.

25 Wysiging van paragraaf 11B van Vierde Bylae by Wet 58 van 1962, soos ingevoeg deur artikel 41 van Wet 90 van 1988 en gewysig deur artikel 22 van Wet 70 van 1989, artikel 47 van Wet 101 van 1990, artikel 46 van Wet 129 van 1991, artikel 34 van Wet 141 van 1992, artikel 3 van Wet 168 van 1993 en artikel 40 van Wet 21 van 1995

35. Paragraaf 11B van die Vierde Bylae by die Hoofwet word hierby gewysig—
- (a) deur in subparagraaf (1) die volgende voorbehoudsbepaling by die omskrywing van “belastingtydperk” te voeg:
“Met dien verstande dat waar 'n werkgewer by die toepassing van paragraaf 15 aansoek gedoen het om aparte registrasie vir takke van sy onderneming, elke bedoelde tak by die toepassing van hierdie omskrywing na die keuse van
35 die werkgewer geag word 'n aparte werkgewer te wees;” en
- (b) deur die volgende voorbehoudsbepaling by subparagraaf (4A) te voeg:
“Met dien verstande dat die bepalings van hierdie subparagraaf nie van toepassing is nie ten opsigte van enige aansoek vir die wysiging van die vasstelling van die bedrag aan Standaard Inkomstebelasting op Werknemers
40 wat op of na 1 Desember 1996 deur die Kommissaris ontvang is.”.

Wysiging van paragraaf 15 van Vierde Bylae by Wet 58 van 1962, soos bygevoeg deur artikel 19 van Wet 6 van 1963 en gewysig deur artikel 7 van Wet 30 van 1984 en artikel 43 van Wet 21 van 1995

45 36. Paragraaf 15 van die Vierde Bylae by die Hoofwet word hierby gewysig deur subparagraaf (1) deur die volgende subparagraaf te vervang:

- “(1) Elke persoon wat 'n werkgewer is, moet in die vorm wat die Kommissaris voorskryf by die Kommissaris aansoek doen om registrasie as 'n werkgewer
- [(a) in die geval van 'n persoon wat op die eerste dag van Maart 1963 'n werkgewer is, nie later nie as die een-en-dertigste dag van Maart 1963; en
50 en
- (b) in die geval van 'n persoon wat na die eerste dag van Maart 1963 'n werkgewer word] binne 14 dae nadat hy 'n werkgewer word, of [in die een of die ander geval] binne 'n verdere tydperk wat die Kommissaris goedkeur:

case] within such further period as the Commissioner may approve: Provided that where no one of such employer's employees is liable for normal tax, the provisions of this paragraph shall not apply to such employer."

Amendment of paragraph 18 of Fourth Schedule to Act 58 of 1962, as added by section 19 of Act 6 of 1963 and amended by section 28 of Act 90 of 1964, section 42 of Act 88 of 1971, section 49 of Act 85 of 1974, section 19 of Act 104 of 1979, section 26 of Act 65 of 1986, section 9 of Act 108 of 1986, section 23 of Act 70 of 1989 and section 50 of Act 113 of 1993 5

37. (1) Paragraph 18 of the Fourth Schedule to the principal Act is hereby amended by the substitution for the expression "R35 000" in subitem (i) of item (d) of subparagraph 10 (1) of the expression "R50 000".

(2) Subsection (1) shall be deemed to have come into operation as from the commencement of years of assessment ending on or after 1 January 1997.

Deletion of heading preceding paragraph 29 of Fourth Schedule to Act 58 of 1962

38. The Fourth Schedule to the principal Act is hereby amended by the deletion of the heading preceding paragraph 29. 15

Deletion of headings following paragraph 32 of the Fourth Schedule to Act 58 of 1962

39. The Fourth Schedule to the principal Act is hereby amended by the deletion of the headings following paragraph 32. 20

Amendment of paragraph 1 of Seventh Schedule to Act 58 of 1962, as added by section 46 of Act 121 of 1984 and amended by section 26 of Act 96 of 1985, Government Notice No. R.2706 of 29 November 1985, section 33 of Act 65 of 1986, Government Notice No. R.2683 of 19 December 1986, section 28 of Act 85 of 1987, Government Notice No. R.714 of 14 April 1989, section 24 of Act 70 of 1989, Government Notice No. R.763 of 29 March 1990, section 55 of Act 101 of 1990, section 35 of Act 141 of 1992, section 52 of Act 113 of 1993 and section 30 of Act 21 of 1994 25

40. (1) Paragraph 1 of the Seventh Schedule to the principal Act is hereby amended by the substitution in the definition of "official rate of interest" for the expression 30 "14 per cent" of the expression "16 per cent".

(2) Subsection (1) shall be deemed to have come into operation on 1 September 1995.

Amendment of expression in principal Act

41. The principal Act is hereby amended by the substitution for the expression "State Revenue Fund", wherever it occurs, of the expression "National Revenue Fund". 35

Amendment of section 9 of Act 21 of 1994

42. Section 9 of the Income Tax Act, 1994, is hereby amended by the substitution for the expression "1 April 1994" in paragraph (b) of subsection (2) of the expression "1 April 1992".

Withdrawal of Government Notice No. 1154 of 4 August 1995 40

43. (1) Government Notice No. 1154 of 4 August 1995 is hereby withdrawn.

(2) Subsection (1) shall be deemed to have come into operation on 4 August 1995.

Repeal of laws, and saving

44. (1) The Income Tax Amendment Act, 1987 (Act No. 13 of 1987), of the former Republic of Ciskei and the Income Tax Amendment Decree, 1993 (Decree No. 2 of 45 1993), of the former Republic of Ciskei are hereby repealed.

Met dien verstande dat waar geeneen van bedoelde werkgever se werknemers vir normale belasting aanspreeklik is nie, die bepalings van hierdie paragraaf nie op bedoelde werkgever van toepassing is nie."

- 5 **Wysiging van paragraaf 18 van Vierde Bylae by Wet 58 van 1962, soos bygevoeg deur artikel 19 van Wet 6 van 1963 en gewysig deur artikel 28 van Wet 90 van 1964, artikel 42 van Wet 88 van 1971, artikel 49 van Wet 85 van 1974, artikel 19 van Wet 104 van 1979, artikel 26 van Wet 65 van 1986, artikel 9 van Wet 108 van 1986, artikel 23 van Wet 70 van 1989 en artikel 50 van Wet 113 van 1993**

37. (1) Paragraaf 18 van die Vierde Bylae by die Hoofwet word hierby gewysig deur 10 die uitdrukking "R35 000" in subitem (i) van item (d) van subparagraaf (1) deur die uitdrukking "R50 000" te vervang.

(2) Subartikel (1) word geag in werking te getree het vanaf die begin van jare van aanslag eindigende op of na 1 Januarie 1997.

- 15 **Skrapping van opskrif wat paragraaf 29 van Vierde Bylae by Wet 58 van 1962 voorafgaan**

38. Die Vierde Bylae by die Hoofwet word hierby gewysig deur die opskrif wat paragraaf 29 voorafgaan, te skrap.

Skrapping van opskrifte wat paragraaf 32 van Vierde Bylae by Wet 58 van 1962 volg

- 20 39. Die Vierde Bylae by die Hoofwet word hierby gewysig deur die opskrifte wat paragraaf 32 volg, te skrap.

- 25 **Wysiging van paragraaf 1 van Sewende Bylae by Wet 58 van 1962, soos bygevoeg deur artikel 46 van Wet 121 van 1984 en gewysig deur artikel 26 van Wet 96 van 1985, Goewermentskennisgewing No. R.2706 van 29 November 1985, artikel 33 van Wet 65 van 1986, Goewermentskennisgewing No. R.2683 van 19 Desember 1986, artikel 28 van Wet 85 van 1987, Goewermentskennisgewing No. R.714 van 14 April 1989, artikel 24 van Wet 70 van 1989, Goewermentskennisgewing No. R.763 van 29 Maart 1990, artikel 55 van Wet 101 van 1990, artikel 35 van Wet 141 van 1992, artikel 52 van Wet 113 van 1993 en artikel 30 van Wet 21 van 1994**

- 30 40. (1) Paragraaf 1 van die Sewende Bylae by die Hoofwet word hierby gewysig deur in die omskrywing van "amptelike rentekoers" die uitdrukking "14 persent" deur die uitdrukking "16 persent" te vervang.

(2) Subartikel (1) word geag op 1 September 1995 in werking te getree het.

Wysiging van uitdrukking in Hoofwet

- 35 41. Die Hoofwet word hierby gewysig deur die uitdrukking "Staatsinkomstefonds", waar dit ook al voorkom, deur die uitdrukking "Nasionale Inkomstefonds" te vervang.

Wysiging van artikel 9 van Wet 21 van 1994

- 40 42. Artikel 9 van die Inkomstebelastingwet, 1994, word hierby gewysig deur die uitdrukking "1 April 1994" in paragraaf (b) van subartikel (2) deur die uitdrukking "1 April 1992" te vervang.

Intrekking van Goewermentskennisgewing No. 1154 van 4 Augustus 1995

43. (1) Goewermentskennisgewing No. 1154 van 4 Augustus 1995 word hierby ingetrek.

(2) Subartikel (1) word geag op 4 Augustus 1995 in werking te getree het.

- 45 **Herroeping van wette, en voorbehoud**

44. (1) Die "Income Tax Amendment Act, 1987" (Wet No. 13 van 1987), van die voormalige Republiek van Ciskei en die "Income Tax Amendment Decree, 1993"

(2) Any tax or levy which has become payable under a law repealed by subsection (1) before or on the date of the repeal of such a law, but which has not at the said date been paid, shall be recovered in accordance with and subject to the provisions of the law concerned as if that law had not been so repealed.

(3) Subsections (1) and (2) shall be deemed to have come into operation on 1 October 1995. 5

Commencement of certain amendments

45. Save in so far as is otherwise provided therein or the context otherwise indicates, the amendments effected to the principal Act by this Act, shall for the purposes of assessments in respect of normal tax under the principal Act, be deemed to have come into operation as from the commencement of years of assessment ending on or after 1 January 1997. 10

Short title

46. This Act shall be called the Income Tax Act, 1996.

(Dekreet No. 2 van 1993), van die voormalige Republiek van Ciskei word hierby herroep.

- (2) 'n Belasting of heffing wat betaalbaar geword het kragtens 'n wet herroep by subartikel (1) voor of op die datum van herroeping van so 'n wet, maar wat op bedoelde datum nie betaal is nie, word verhaal ooreenkomstig en behoudens die bepalings van die betrokke wet asof daardie wet nie aldus herroep is nie.

(3) Subartikels (1) en (2) word geag op 1 Oktober 1995 in werking te getree het.

Inwerkingtreëding van sekere wysigings

45. Behalwe vir sover daarin anders bepaal word of uit die samehang anders blyk, word die wysigings deur hierdie Wet aan die Hoofwet aangebring, vir die doeleindes van aanslae ten opsigte van normale belasting ingevolge die Hoofwet, geag in werking te getree het met ingang van die begin van jare van aanslag wat op of na 1 Januarie 1997 eindig.

Kort titel

46. Hierdie Wet heet die Inkomstebelastingwet, 1996.

SCHEDULE**RATES OF NORMAL TAX PAYABLE BY PERSONS OTHER THAN COMPANIES IN RESPECT OF THE YEARS OF ASSESSMENT ENDING 28 FEBRUARY 1997 AND 30 JUNE 1997, AND BY COMPANIES IN RESPECT OF YEARS OF ASSESSMENT ENDING DURING THE PERIOD OF 12 MONTHS ENDING 31 MARCH 1997****(SECTION 1)**

1. The rates of normal tax referred to in section 1 of this Act in respect of persons other than companies are as follows:—

(a) In respect of the taxable income of any natural person, an amount of tax calculated in accordance with the table below:

Taxable Income	Rates of Tax in respect of Natural Persons
Where the taxable income— does not exceed R15 000	17 per cent of each R1 of the taxable income;
exceeds R15 000 but does not exceed R20 000	R2 550 plus 19 per cent of the amount by which the taxable income exceeds R15 000;
“ R20 000 “ “ “ “ R30 000	R3 500 plus 21 per cent of the amount by which the taxable income exceeds R20 000;
“ R30 000 “ “ “ “ R40 000	R5 600 plus 30 per cent of the amount by which the taxable income exceeds R30 000;
“ R40 000 “ “ “ “ R60 000	R8 600 plus 41 per cent of the amount by which the taxable income exceeds R40 000;
“ R60 000 “ “ “ “ R80 000	R16 800 plus 43 per cent of the amount by which the taxable income exceeds R60 000;
“ R80 000 “ “ “ “ R100 000	R25 400 plus 44 per cent of the amount by which the taxable income exceeds R80 000;
“ R100 000	R34 200 plus 45 per cent of the amount by which the taxable income exceeds R100 000;

BYLAE

SKALE VAN NORMALE BELASTING BETAALBAAR DEUR ANDER PERSONE AS MAATSKAPPYE TEN OPSIGTE VAN DIE JARE VAN AANSLAG EINDIGENDE OP 28 FEBRUARIE 1997 EN 30 JUNIE 1997, EN DEUR MAATSKAPPYE TEN OPSIGTE VAN JARE VAN AANSLAG WAT EINDIG GEDURENDE DIE TYDPERK VAN 12 MAANDE EINDIGENDE OP 31 MAART 1997

(ARTIKEL 1)

1. Die skale van normale belasting bedoel in artikel 1 van hierdie Wet ten opsigte van persone behalwe maatskappye is soos volg:—

(a) Ten opsigte van die belasbare inkomste van 'n natuurlike persoon, 'n bedrag aan belasting wat ooreenkomstig die tabel hieronder bereken word:

Belasbare Inkomste	Skale van Belasting ten opsigte van Natuurlike Persone
Waar die belasbare inkomste—	
R15 000 nie te bowe gaan nie.....	17 persent van elke R1 van die belasbare inkomste;
R15 000 te bowe gaan, maar nie R20 000	R2 550 plus 19 persent van die bedrag waarmee die belasbare inkomste R15 000 oorskry;
R20 000 “ “ “ “ “ “ R30 000	R3 500 plus 21 persent van die bedrag waarmee die belasbare inkomste R20 000 oorskry;
R30 000 “ “ “ “ “ “ R40 000	R5 600 plus 30 persent van die bedrag waarmee die belasbare inkomste R30 000 oorskry;
R40 000 “ “ “ “ “ “ R60 000	R8 600 plus 41 persent van die bedrag waarmee die belasbare inkomste R40 000 oorskry;
R60 000 “ “ “ “ “ “ R80 000	R16 800 plus 43 persent van die bedrag waarmee die belasbare inkomste R60 000 oorskry;
R80 000 “ “ “ “ “ “ R100 000	R25 400 plus 44 persent van die bedrag waarmee die belasbare inkomste R80 000 oorskry;
R100 000 te bowe gaan nie.....	R34 200 plus 45 persent van die bedrag waarmee die belasbare inkomste R100 000 oorskry;

(b) in respect of the taxable income of any person other than a natural person, an amount of tax calculated in accordance with the table below:

Taxable Income	Rates of Tax in respect of Persons other than Natural Persons
Where the taxable income— does not exceed R5 000 exceeds R5 000 but does not exceed R10 000	17 per cent of each R1 of the taxable income; R850 plus 19 per cent of the amount by which the taxable income exceeds R5 000;
“ R10 000 “ “ “ “ R15 000	R1 800 plus 21 per cent of the amount by which the taxable income exceeds R10 000;
“ R15 000 “ “ “ “ R20 000	R2 850 plus 24 per cent of the amount by which the taxable income exceeds R15 000;
“ R20 000 “ “ “ “ R30 000	R4 050 plus 28 per cent of the amount by which the taxable income exceeds R20 000;
“ R30 000 “ “ “ “ R40 000	R6 850 plus 36 per cent of the amount by which the taxable income exceeds R30 000;
“ R40 000 “ “ “ “ R50 000	R10 450 plus 41 per cent of the amount by which the taxable income exceeds R40 000;
“ R50 000 “ “ “ “ R60 000	R14 550 plus 42 per cent of the amount by which the taxable income exceeds R50 000;
“ R60 000 “ “ “ “ R70 000	R18 750 plus 43 per cent of the amount by which the taxable income exceeds R60 000;
“ R70 000 “ “ “ “ R100 000	R23 050 plus 44 per cent of the amount by which the taxable income exceeds R70 000;
“ R100 000	R36 250 plus 45 per cent of the amount by which the taxable income exceeds R100 000.

- (b) ten opsigte van die belasbare inkomste van 'n persoon behalwe 'n natuurlike persoon, 'n bedrag aan belasting wat ooreenkomstig die tabel hieronder bereken word:

Belasbare Inkomste	Skale van Belasting ten opsigte van Persone behalwe Natuurlike Persone
Waar die belasbare inkomste—	
R5 000 nie te bowe gaan nie	17 persent van elke R1 van die belasbare inkomste;
R 5 000 te bowe gaan, maar nie R10 000 nie	R850 plus 19 persent van die bedrag waarmee die belasbare inkomste R5 000 oorskry;
R10 000 “ “ “ “ “ “ R15 000 “	R1 800 plus 21 persent van die bedrag waarmee die belasbare inkomste R10 000 oorskry;
R15 000 “ “ “ “ “ “ R20 000 “	R2 850 plus 24 persent van die bedrag waarmee die belasbare inkomste R15 000 oorskry;
R20 000 “ “ “ “ “ “ R30 000 “	R4 050 plus 28 persent van die bedrag waarmee die belasbare inkomste R20 000 oorskry;
R30 000 “ “ “ “ “ “ R40 000 “	R6 850 plus 36 persent van die bedrag waarmee die belasbare inkomste R30 000 oorskry;
R40 000 “ “ “ “ “ “ R50 000 “	R10 450 plus 41 persent van die bedrag waarmee die belasbare inkomste R40 000 oorskry;
R50 000 “ “ “ “ “ “ R60 000 “	R14 550 plus 42 persent van die bedrag waarmee die belasbare inkomste R50 000 oorskry;
R60 000 “ “ “ “ “ “ R70 000 “	R18 750 plus 43 persent van die bedrag waarmee die belasbare inkomste R60 000 oorskry;
R70 000 “ “ “ “ “ “ R100 000 “	R23 050 plus 44 persent van die bedrag waarmee die belasbare inkomste R70 000 oorskry;
R100 000 te bowe gaan.....	R36 250 plus 45 persent van die bedrag waarmee die belasbare inkomste R100 000 oorskry.

2. The rates of normal tax referred to in section 1 of this Act in respect of companies are, subject to the provisions of paragraph 4, as follows:—

(a) On each rand of the taxable income of any company (excluding taxable income referred to in subparagraphs (b), (c), (d) and (e)), 35 cents, or, in the case of a company which mines for gold on any gold mine and which is in terms of an option exercised by it exempt from the payment of secondary tax on companies, 42 cents;

(b) on each rand of the taxable income derived by any company from mining for gold on any gold mine (with the exclusion of so much of the taxable income as the Commissioner determines to be attributable to the inclusion in the gross income of any amount referred to in paragraph (j) of the definition of “gross income” in section 1 of the principal Act, but after the set-off of any assessed loss in terms of section 20(1) of the principal Act), a percentage determined in accordance with the formula:

$$y = 43 - \frac{215}{x}$$

or, in the case of a company which is in terms of an option exercised by it exempt from the payment of secondary tax on companies, in accordance with the formula:

$$y = 51 - \frac{255}{x}$$

in which formulae y represents such percentage and x the ratio expressed as a percentage which the taxable income so derived (with the said exclusion, but before the set-off of any assessed loss or deduction which is not attributable to the mining for gold from the said mine) bears to the income so derived (with the said exclusion);

(c) on each rand of the taxable income of any company, the sole or principal business of which in the Republic is, or has been, mining for gold and the determination of the taxable income of which for the period assessed does not result in an assessed loss, which the Commissioner determines to be attributable to the inclusion in its gross income of any amount referred to in paragraph (j) of the definition of “gross income” in section 1 of the principal Act, a rate equal to the average rate of normal tax or 35 cents, whichever is higher: Provided that for the purposes of this subparagraph, the average rate of normal tax shall be determined by dividing the total normal tax (excluding the tax determined in accordance with this subparagraph for the period assessed) paid by the company in respect of its aggregate taxable income from gold mining for the period from 1 July 1916 to the end of the period assessed, by the number of rands contained in the said aggregate taxable income;

(d) on each rand of the taxable income derived by any company from carrying on long-term insurance business—

(i) where such taxable income has been determined in terms of the provisions of section 28 of the principal Act, 45 cents; or

(ii) where such taxable income has been determined in terms of the provisions of section 29 of the principal Act—

(aa) in respect of its individual policyholder fund, 30 cents; and

(bb) in respect of its company policyholder fund and corporate fund, 35 cents;

(e) on each rand of the taxable income (excluding taxable income referred to in subparagraphs (b), (c) and (d)) derived by a company which has its place of effective management outside the Republic and which carries on a trade through a branch or agency within the Republic, 40 cents:

Provided that the tax determined in accordance with any of subparagraphs (a) to (e), inclusive, shall be payable in addition to the tax determined in accordance with any other of the said subparagraphs.

3. That the rates set forth in paragraphs 1 and 2 shall be the rates required to be fixed by Parliament in accordance with the provisions of section 5(2) of the principal Act, in respect of taxable incomes derived from sources within or deemed to be within the Republic.

2. Die skale van normale belasting bedoel in artikel 1 van hierdie Wet ten opsigte van maatskappye is, behoudens die bepalings van paragraaf 4, soos volg:—

- (a) Op elke rand van die belasbare inkomste van 'n maatskappy (met uitsondering van belasbare inkomste in subparagrafe (b), (c), (d) en (e) bedoel), 35 sent, of, in die geval van 'n maatskappy wat vir goud myn op 'n goudmyn en wat ingevolge 'n keuse deur hom uitgeoefen van die betaling van sekondêre belasting op maatskappye vrygestel is, 42 sent;
- (b) op elke rand van die belasbare inkomste wat deur 'n maatskappy uit die myn van goud op 'n goudmyn verkry word (met uitsluiting van soveel van die belasbare inkomste as wat volgens vasstelling van die Kommissaris toe te skryf is aan die inrekening by bruto inkomste van 'n bedrag bedoel in paragraaf (j) van die omskrywing van "bruto inkomste" in artikel 1 van die Hoofwet, maar na die in vergelyking bring van enige vasgestelde verlies ingevolge artikel 20(1) van die Hoofwet), 'n persentasie vasgestel ooreenkomstig die formule:

$$y = 43 - \frac{215}{x}$$

of, in die geval van 'n maatskappy wat ingevolge 'n keuse deur hom uitgeoefen van die betaling van sekondêre belasting op maatskappye vrygestel is, ooreenkomstig die formule:

$$y = 51 - \frac{255}{x}$$

in welke formules y bedoelde persentasie voorstel en x die verhouding, as 'n persentasie uitgedruk, waarin die aldus verkreeë belasbare inkomste (met genoemde uitsluiting, maar voor die in vergelyking bring van enige vasgestelde verlies of aftrekking wat nie aan die myn van goud uit bedoelde goudmyn toeskryfbaar is nie) staan tot die aldus verkreeë inkomste (met genoemde uitsluiting);

- (c) op elke rand van die belasbare inkomste van 'n maatskappy wie se enigste of vernaamste besigheid in die Republiek die myn van goud is of was en waarvan die vasstelling van die belasbare inkomste vir die tydperk van aanslag nie op 'n vasgestelde verlies uitloop nie, wat volgens vasstelling van die Kommissaris toe te skryf is aan die inrekening by sy bruto inkomste van 'n bedrag bedoel in paragraaf (j) van die omskrywing van "bruto inkomste" in artikel 1 van die Hoofwet, 'n skaal gelyk aan die gemiddelde skaal van normale belasting of 35 sent, watter ook al die hoogste is: Met dien verstande dat vir die doeleindes van hierdie subparagraaf die gemiddelde skaal van normale belasting vasgestel word deur die totale normale belasting (met uitsondering van die belasting wat vir die tydperk van aanslag ooreenkomstig hierdie subparagraaf vasgestel is) wat deur die maatskappy betaal is ten opsigte van sy totale belasbare inkomste uit die myn van goud vir die tydperk vanaf 1 Julie 1916 tot die end van die tydperk waarvoor aangeslaan word, te deel deur die getal rande wat genoemde totale belasbare inkomste bevat;
- (d) op elke rand van die belasbare inkomste wat deur 'n maatskappy uit die dryf van langtermynversekeringsbesigheid verkry word—
 - (i) waar bedoelde belasbare inkomste vasgestel is ingevolge die bepalings van artikel 28 van die Hoofwet, 45 sent; of
 - (ii) waar bedoelde belasbare inkomste vasgestel is ingevolge die bepalings van artikel 29 van die Hoofwet—
 - (aa) ten opsigte van sy individuele polishouerfonds, 30 sent; en
 - (bb) ten opsigte van sy maatskappypolishouerfonds en korporatiewe fonds, 35 sent;
- (e) op elke rand van die belasbare inkomste (uitgesonderd belasbare inkomste bedoel in subparagrafe (b), (c) en (d)) wat deur 'n maatskappy verkry word wie se plek van effektiewe bestuur buite die Republiek geleë is en wat 'n bedryf deur 'n tak of agentskap binne die Republiek beoefen, 40 sent: Met dien verstande dat die belasting ooreenkomstig enige van subparagrafe (a) tot en met (e) vasgestel, benewens die belasting vasgestel ooreenkomstig enige ander van genoemde subparagrafe betaalbaar is.

3. Dat die skale uiteengesit in paragrafe 1 en 2 die skale is wat deur die Parlement ooreenkomstig die bepalings van artikel 5(2) van die Hoofwet, vasgestel moet word ten opsigte van belasbare inkomste verkry uit bronne in die Republiek of geag in die Republiek te wees.

Act No. 36, 1996

INCOME TAX ACT, 1996

4. Any company which qualifies for exemption under the provisions of section 2 of the Company Tax Amendment Decree, 1994 (Decree No. 2 of 1994 of Ciskei), shall be exempt from normal tax on so much of its taxable income as is derived from a source within the territory of the former Republic of Ciskei.

5. For the purposes of paragraph 2 income derived from mining for gold shall include any income derived from silver, osmiridium, uranium, pyrites or other minerals which may be won in the course of mining for gold, and any other income which results directly from mining for gold.

6. In this Schedule, unless the context otherwise indicates, any word or expression to which a meaning has been assigned in the principal Act, bears the meaning so assigned.

4. 'n Maatskappy wat kwalifiseer vir vrystelling kragtens die bepalinge van artikel 2 van die "Company Tax Amendment Decree, 1994" (Dekreet No. 2 van 1994 van Ciskei), is vrygestel van normale belasting op soveel van sy belasbare inkomste as wat uit 'n bron binne die gebied van die voormalige Republiek van Ciskei verkry is.

5. By die toepassing van paragraaf 2 sluit inkomste uit die myn van goud verkry inkomste in wat verkry is van silwer, osmiridium, uraan, piriet of ander minerale wat in die loop van die myn van goud gewin word, en enige ander inkomste wat regstreeks uit die myn van goud voortvloei.

6. In hierdie Bylae, tensy uit die samehang anders blyk, het enige woord of uitdrukking waaraan daar in die Hoofwet 'n betekenis toegeskryf is, die betekenis aldus daaraan toegeskryf.