



Government Gazette Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID-AFRIKA

Vol. 476

Pretoria, 25 February
Februarie 2005

No. 27332



AIDS HELPLINE 0800-0123-22 Prevention is the cure

CONTENTS**INHOUD**

No.		Page No.	Gazette No.	No.		Bladsy No.	Koerant No.
GOVERNMENT NOTICE				GOEWERMENTSKENNISGEWING			
South African Revenue Service				Suid-Afrikaanse Inkomstediens			
<i>Government Notice</i>				<i>Goewermentskennisgewing</i>			
170	Tax Act (58/1962): Fixing of rate per kilometre in respect of motor vehicles for the purposes of section 8 (b) (ii) and (iii)	3	27332	170	Inkomstebelastingwet (58/1962): Bepaling van skaal per kilometer ten opsigte van motorvoertuie vir doeleindes van artikel 8 (1) (b) (ii) en (iii).....	6	27332

GOVERNMENT NOTICE GOEWERMENTSKENNISGEWING

SOUTH AFRICAN REVENUE SERVICE SUID-AFRIKAANSE INKOMSTEDIENS

No. 170

25 February 2005

FIXING OF RATE PER KILOMETRE IN RESPECT OF MOTOR VEHICLES FOR THE PURPOSES OF SECTION 8(b)(ii) AND (iii) OF THE INCOME TAX ACT, 1962

Under section 8(1)(b)(ii) and (iii) of the Income Tax Act, 1962 (Act No. 58 of 1962), I, Trevor Andrew Manuel, Minister of Finance, hereby determine that the rate per kilometre referred to in that section must be an amount determined in accordance with the Schedule hereto.

T. A. MANUEL
Minister of Finance

¹ According to the February 2005 CAR magazine the price of the cheapest motor vehicle is R64 700.

² The vehicle models falling below the R360 000 cut-off are, for example, the Alfa GTV 3.2, Audi TT Coupé, BMW 330d, Mazda RX-8, Mercedes C230K, MG ZT and the Volvo S60 2.5T.

SCHEDULE

1. Definition

In this Schedule, "**value**" in relation to a motor vehicle used by the recipient of an allowance as contemplated in section 8(1)(b)(ii) and (iii) of the Income Tax Act, 1962, means—

- (a) where that motor vehicle (not being a motor vehicle in respect of which paragraph (b)(ii) of this definition applies) was acquired by that recipient under a *bona fide* agreement of sale or exchange concluded by parties dealing at arm's length, the original cost thereof to him/her, including any sales tax or value-added tax but excluding any finance charge or interest payable by him/her in respect of his acquisition thereof;
or
- (b) where that motor vehicle—
 - (i) is held by that recipient under a lease contemplated in paragraph (b) of the definition of "instalment credit agreement" in section 1 of the Value-Added Tax Act, 1991; or
 - (ii) was held by him/her under such a lease and the ownership thereof was acquired by him/her on the termination of the lease,
the cash value thereof as contemplated in the definition of "cash value" in section 1 of the Value-Added Tax Act; or
- (c) in any other case, the market value of that motor vehicle at the time when that recipient first obtained the vehicle or the right of use thereof, plus an amount equal to the sales tax or value added tax which would have been payable in respect of the purchase of the vehicle had it been purchased by the recipient at that time at a price equal to that market value.

2. Determination of rate per kilometre

The rate per kilometre referred to in section 8(1)(b)(ii) and (iii) must, subject to the provisions of paragraph 4, be determined in accordance with the cost scale set out in paragraph 3, and must be the sum of—

- (a) the fixed cost divided by the total distance in kilometres (for both private and business purposes) shown to have been travelled in the vehicle during the year of assessment: Provided that where the vehicle has been used for business purposes during a period in that year which is less than the full period of that year, the fixed cost must be an amount which bears to the fixed cost the same ratio as the period of use for business purposes bears to 365 days;
- (b) where the recipient of the allowance has borne the full cost of the fuel used in the vehicle, the fuel cost; and
- (c) where that recipient has borne the full cost of maintaining the vehicle (including the cost of repairs, servicing, lubrication and tyres), the maintenance cost.

3. Cost scale

Where the value of the vehicle—	Fixed Cost R	Fuel Cost c	Mainte- nance Cost c
does not exceed R40 000	14 489	34.5	21.6
exceeds R40 000 but does not exceed R60 000	19 869	36.2	22.4
exceeds R60 000 but does not exceed R80 000	25 068	36.2	22.4
exceeds R80 000 but does not exceed R100 000	30 893	40.7	27.8
exceeds R100 000 but does not exceed R120 000	35 578	40.7	27.8
exceeds R120 000 but does not exceed R140 000	40 732	40.7	27.8
exceeds R140 000 but does not exceed R160 000	46 157	45.0	37.7
exceeds R160 000 but does not exceed R180 000	51 930	45.0	37.7
exceeds R180 000 but does not exceed R200 000	57 332	51.1	41.6
exceeds R200 000 but does not exceed R220 000	63 287	51.1	41.6
exceeds R220 000 but does not exceed R240 000	68 697	51.1	41.6
exceeds R240 000 but does not exceed R260 000	74 287	51.1	41.6
exceeds R260 000 but does not exceed R280 000	78 992	53.9	49.8
exceeds R280 000 but does not exceed R300 000	83 744	53.9	49.8
exceeds R300 000 but does not exceed R320 000	88 854	53.9	49.8
exceeds R320 000 but does not exceed R340 000	94 322	53.9	49.8
exceeds R340 000 but does not exceed R360 000	99 240	59.8	65.5
exceeds R360 000	99 240	59.8	65.5

4. Simplified method for distances less than 8 000 kilometres

Where—

- (a) the provisions of section 8(1)(b)(iii) are applicable in respect of the recipient of an allowance or advance;
 - (b) the distance travelled in the vehicle for business purposes during the year of assessment does not exceed 8 000 kilometres, or where more than one vehicle has been used during the year of assessment the total distance travelled in those vehicles for business purposes does not exceed 8 000 kilometres; and
 - (c) no other compensation in the form of a further allowance or reimbursement is payable by the employer to that recipient,
- that rate per kilometre is, at the option of the recipient, equal to 238 cents per kilometre.

5. Effective date

The rate per kilometre determined in terms of this Schedule applies in respect of years of assessment commencing on or after 1 March 2005.

**BEPALING VAN SKAAL PER KILOMETER TEN OPSIGTE VAN
MOTORVOERTUIG VIR DOELEINDES VAN ARTIKEL 8(1)(b)(ii) EN (iii)
VAN DIE INKOMSTEBELASTINGWET, 1962**

Kragtens artikel 8(1)(b)(ii) en (iii) van die Inkomstebelastingwet, 1962 (Wet No. 58 van 1962), bepaal ek, Trevor Andrew Manuel, Minister van Finansies, hierby dat die skaal per kilometer in daardie artikel bedoel 'n bedrag is wat ooreenkomstig die Bylae hierby vasgestel word.

T. A. MANUEL
Minister van Finansies

BYLAE

1. Omskrywing

In hierdie Bylae beteken "**waarde**", met betrekking tot 'n motorvoertuig deur die ontvanger van 'n toelae gebruik soos in artikel 8(1)(b)(ii) en (iii) van die Inkomstebelastingwet, 1962, beoog—

- (a) waar daardie motorvoertuig (synde nie 'n motorvoertuig ten opsigte waarvan paragraaf (b)(ii) van hierdie omskrywing van toepassing is nie) deur daardie ontvanger verkry is ingevolge 'n *bona fide* verkoop- of ruil-ooreenkoms gesluit tussen partye wat onder uiterste voorwaardes beding is, die oorspronklike koste daarvan vir hom/haar, met inbegrip van enige verkoopbelasting of belasting op toegevoegde waarde maar uitgesluit enige finansieringskoste of rente deur hom/haar betaalbaar ten opsigte van sy/haar verkryging daarvan; of
- (b) waar daardie motorvoertuig—
 - (i) ingevolge 'n verhuringsooreenkoms soos beoog in paragraaf (b) van die omskrywing van "paaient-krediet-ooreenkoms" in artikel 1 van die Wet op Belasting op Toegevoegde Waarde, 1991, deur daardie ontvanger gehou is; of
 - (ii) ingevolge so 'n verhuringsooreenkoms deur hom/haar gehou was en eiendomsreg daarvan na afloop van die verhuringsooreenkoms deur hom/haar verkry is, die kontantwaarde daarvan soos beoog in die omskrywing van "kontantwaarde" in artikel 1 van die Wet op Belasting op Toegevoegde Waarde; of
- (c) in enige ander geval, die markwaarde van daardie motorvoertuig op die tydstip toe daardie ontvanger vir die eerste maal die voertuig of die reg van gebruik daarvan verkry het, tesame met 'n bedrag gelyk aan die verkoopbelasting of belasting op toegevoegde waarde wat ten opsigte van die aankoop van die voertuig betaalbaar sou gewees het indien dit op daardie tydstip teen 'n prys gelykstaande aan daardie markwaarde deur die ontvanger aangekoop sou gewees het.

2. Vasstelling van skaal per kilometer

Die skaal per kilometer in artikel 8(1)(b)(ii) en (iii) bedoel, word, behoudens die bepalings van paragraaf 4, bepaal ooreenkomstig die kosteskaal in paragraaf 3 vervat, en is die som van—

- (a) die vaste koste gedeel deur die totale afstand in kilometers (vir beide private en besigheidsdoeleindes) wat bewys word gedurende die jaar van aanslag in die voertuig afgelê te gewees het: Met dien verstande dat waar die voertuig gedurende 'n tydperk in daardie jaar vir besigheidsdoeleindes gebruik is wat minder is as die volle tydperk van daardie jaar, sal die vaste koste 'n bedrag wees wat in dieselfde verhouding tot die vaste koste staan as die verhouding waarin die tydperk van gebruik vir besigheidsdoeleindes tot 365 dae staan;
- (b) waar die ontvanger van die toelae die volle koste gedra het van die brandstof wat in die voertuig gebruik is, die brandstofkoste; en
- (c) waar daardie ontvanger die volle koste gedra het van die instandhouding van die voertuig (met inbegrip van herstelwerk, diens, smering en bande), die instandhoudingskoste.

3. Ksteskaal

Waar die waarde van die voertuig—	Vaste koste R	Brandstof koste c	Instandhoudingskoste c
R40 000 nie te bowe gaan nie	14 489	34.5	21.6
R40 000 te bowe gaan, maar nie R60 000 nie	19 869	36.2	22.4
R60 000 te bowe gaan, maar nie R80 000 nie	25 068	36.2	22.4
R80 000 te bowe gaan, maar nie R100 000 nie	30 893	40.7	27.8
R100 000 te bowe gaan, maar nie R120 000 nie	35 578	40.7	27.8
R120 000 te bowe gaan, maar nie R140 000 nie	40 732	40.7	27.8
R140 000 te bowe gaan, maar nie R160 000 nie	46 157	45.0	37.7
R160 000 te bowe gaan, maar nie R180 000 nie	51 930	45.0	37.7
R180 000 te bowe gaan, maar nie R200 000 nie	57 332	51.1	41.6
R200 000 te bowe gaan, maar nie R220 000 nie	63 287	51.1	41.6
R220 000 te bowe gaan, maar nie R240 000 nie	68 697	51.1	41.6
R240 000 te bowe gaan, maar nie R260 000 nie	74 287	51.1	41.6
R260 000 te bowe gaan, maar nie R280 000 nie	78 992	53.9	49.8
R280 000 te bowe gaan, maar nie R300 000 nie	83 744	53.9	49.8
R300 000 te bowe gaan, maar nie R320 000 nie	88 854	53.9	49.8
R320 000 te bowe gaan, maar nie R340 000 nie	94 322	53.9	49.8
R340 000 te bowe gaan, maar nie R360 000 nie	99 240	59.8	65.5
R360 000 te bowe gaan	99 240	59.8	65.5

4. Vereenvoudigde metode vir afstande korter as 8 000 kilometer

Waar—

- (a) die bepalings van artikel 8(1)(b)(iii) ten opsigte van 'n ontvanger van 'n toelae of voorskot van toepassing is;
- (b) die afstand wat gedurende die jaar van aanslag in die voertuig vir besigheidsdoeleindes afgelê word, minder as 8 000 kilometers is, of waar meer as een voertuig gedurende die jaar van aanslag gebruik is die totale afstand wat vir besigheidsdoeleindes in daardie voertuie afgelê is nie 8 000 kilometers oorskry nie; en
- (c) geen ander vergoeding in die vorm van 'n verdere toelae of terugbetaling deur die werkgewer aan die ontvanger betaalbaar is nie, is die tarief per kilometer, na keuse van die ontvanger, gelykstaande aan 238 sent per kilometer.

5. Effektiewe datum

Die tarief per kilometer kragtens hierdie Bylae bepaal, is van toepassing ten opsigte van jare van aanslag wat op of na 1 Maart 2005 begin.

Printed by and obtainable from the Government Printer, Bosman Street, Private Bag X85, Pretoria, 0001
Publications: Tel: (012) 334-4508, 334-4509, 334-4510
Advertisements: Tel: (012) 334-4673, 334-4674, 334-4504
Subscriptions: Tel: (012) 334-4735, 334-4736, 334-4737
Cape Town Branch: Tel: (021) 465-7531

Gedruk deur en verkrygbaar by die Staatsdrukker, Bosmanstraat, Privaatsak X85, Pretoria, 0001
Publikasies: Tel: (012) 334-4508, 334-4509, 334-4510
Advertensies: Tel: (012) 334-4673, 334-4674, 334-4504
Subskripsies: Tel: (012) 334-4735, 334-4736, 334-4737
Kaapstad-tak: Tel: (021) 465-7531