



SWAZILAND
GOVERNMENT GAZETTE
EXTRAORDINARY

VOL. XXIX]

MBABANE, Friday, May 17th., 1991

[No. 797

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PUBLISHED BY AUTHORITY

GENERAL NOTICE NO. 29 OF 1991

THE LIQUOR LICENCES ACT, 1964

(Act No. 30 of 1964)

APPOINTMENT OF CHAIRMAN OF THE LIQUOR LICENCING BOARD

(Under Section 6)

In exercise of the powers conferred by section 6 of the Liquor Licences Act, 1964 the Minister for Interior and Immigration hereby appoints—

JOHN SIPHO MAGAGULA

to be Chairman of the Liquor Licencing Board with effect from 14th May, 1991.

General Notice No. 24 of 1986 is hereby revoked.

E.J. MAVUSO
Principal Secretary

MBABANE,
14th May, 1991.

SUPPLEMENT TO
THE
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PART A — BILLS

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INCOME TAX (AMENDMENT) BILL, 1991

(Bill No. 3 of 1991)

(To be presented by the Minister for Finance)

MEMORANDUM OF OBJECTS AND REASONS

The object of this Bill is to amend the Income Tax Order, 1975 so as:

- (a) to remove the existing distinction between men and women in the payment of income tax and to provide for a uniform system of taxation for both men and women;
- (b) to exclude *bonus shares* from the definition of *dividend* and to include as part of the definition of *gross income* the full value of debts which accrue in any year of assessment but which become payable after the end of that year;
- (c) to provide for greater contributions to retirement annuity funds and to permit greater tax exemption for severance allowance;
- (d) to abolish the existing allowable deductions in respect of medical expenses by tax payers;
- (e) to provide for increase in the maximum allowable deductions in respect of contributions to pension funds;
- (f) to restrict exemptions in respect of contract gratuities to contracts of employment for two years or more or for shorter period on grounds of ill-health or infirmity; and
- (g) to provide for other matters consequential or incidental thereto.

A.F.M. THWALA
Attorney-General

A BILL
entitled

An Act to amend the Income Tax Order, 1975 and to provide for other matters consequential or incidental thereto.

ENACTED by the King and the Parliament of Swaziland.

Short title and commencement.

1. (1) This Act may be cited as the Income Tax (Amendment) Act, 1991 and shall be read as one with the Income Tax Order, 1975 referred to in this Act as the "Order".

(2) Except as otherwise provided in sections 6 and 7 this Act shall be deemed to have come into force on 1st July, 1991.

Amendment of section 2 of the Order.

2. Section 2 of the Order is amended as follows:

- (a) by the deletion of the definition "wife's employment income"; and
- (b) by the deletion of the words "bonus shares", occurring in paragraph (b) of the definition "dividend".

Amendment of section 7 of the Order.

3. Section 7 of the Order is amended by inserting after paragraph (a) the following new paragraph:

- "(aa) the full value of any debt which accrues in the year of assessment but becomes payable after the end of that year of assessment;"

Amendment of section 8 of the Order.

4. Section 8 of the Order is amended as follows:

- (a) by the deletion of subsection (1)(a) and (b); and
- (b) by replacing subsection (1)(e)(i) with the following-
 - "(i) the premium paid by a person during the year of assessment upon a policy under which that person, the spouse or child of that person is insured against death, accident or sickness".

Amendment of section 11 of the Order.

5. Section 11 of the Order is amended by the deletion of subsections (2) and (2)(bis).

Amendment of section 12 of the Order.

6. (1) Section 12 of the Order is amended as follows:

(a) by inserting after subsection (1)(e) the following new paragraph:

"(ee) so much of the total amount of dividends as does not exceed two thousand Emalangeni received by or accrued to or in favour of an individual in any year of assessment from any company or companies whether or not such company or companies are listed with the Swaziland Stock Exchange:

Provided that any amount of dividends in excess of two thousand Emalangeni shall be charged to tax under section 6;"

(b) by replacing subsection (1)(g) with the following:

"(g) any amount received by or accrues to any employee on *bona fide* termination of employment by reason of a written agreement of employment or of any law in force in Swaziland by way of bonus or gratuity specified in such written agreement:

Provided that the period of the agreement of employment is not less than two years or that the agreement of employment is terminated before the expiration of the specified period of the agreement on grounds of ill-health or infirmity of the employee:

Provided further that the employee does not enter into another agreement of employment with the same employer after the termination of the employee's employment; and

Provided further that such amount shall not exceed twenty-five per centum of the total amount of the actual salary received by the employee reckoned from the date of such written agreement in respect of and during the period of such employment."

(c) by replacing the words "twenty emalangeni" occurring in subsection (1)(i)(iii) the words forty emalangeni";

(d) by replacing subsection (3) with the following:

"(3) There shall be exempt from normal tax every person (excepting company) who is ordinarily resident in Swaziland whose taxable income does not exceed ten thousand Emalangeni in any year of assessment or if the period of assessment is less than a full year, an amount which bears to ten thousand Emalangi the same ratio as the period assessed bears to one year."; and

(e) by the deletion of subsection (4).

(2) The provisions of paragraph (a) of subsection (1) of this section shall be deemed to have come into force on 1st July, 1990.

Amendment of section 14 of the Order.

7. (1) Section 14 of the Order is amended as follows:

(a) by replacing the words "one thousand two hundred emalangeni" occurring in the Proviso to subsection (1)(i) with the words "one thousand seven hundred and fifty emalangeni";

(b) by replacing subsection (1)(j) with the following:

"(j) so much of the total current contributions to any retirement annuity fund made during the year of assessment by any person as a member of the fund as does not in the case of the tax payer exceed the greatest of—

(i) fifteen per centum of the taxable income accruing to the taxpayer in respect of trade carried out by the tax payer; provided that the maximum allowable deductions in each case shall not exceed an amount of five thousand emalangeni; or

(ii) an amount of three thousand five hundred emalangeni less contributions made by the taxpayer to a pensions fund; or

(iii) an amount of one thousand seven hundred and fifty emalangeni;"

(c) by the deletion of paragraph (u) of subsection (1);

(d) by inserting after paragraph (v) of subsection (1) the following new paragraph—

"(vv) any grant made to the University of Swaziland for the purpose of the University undertaking capital projects in the form of buildings, fittings, furniture as well as other items associated with capital assets needed for the development of the University;"

(2) The provisions of paragraph (d) of subsection (1) of this section shall be deemed to have come into force on 1st July, 1990.

Deletion of section 36 of the Order.

8. Section 36 of the Order is deleted.

Amendment of section 57 of the Order.

9. Section 57 of the Order is amended by replacing the words "twelve per centum" occurring in subsection (2) with the words "eighteen per centum".

Amendment of paragraph 9 of Part II of Second Schedule to the Order.

10. Paragraph 9 of Part II of the Second Schedule is amended by replacing sub-paragraph (3) with the following:

"(3) The amount to be deducted or withheld in respect of employee's tax from any lump sum to which the proviso to paragraph (b) of the definition of "gross income" applies or any other lump sum to which the employee is entitled by virtue of the employee's agreement of employment, shall be ascertained by the employer from the Commissioner before paying out such lump sum, and the Commissioner's determination of the amount to be so deducted or withheld shall be final."

Replacement of Part II of the Third Schedule to the Order.

11. Part II of the Third Schedule to the Order is replaced with the following:

"PART II

RATES OF TAX IN THE CASE OF PERSONS OTHER THAN COMPANIES

Taxable Income	E	E	Rate of Tax
Where taxable Income does not exceed		10,000	0 per centum of taxable income.
Exceeds does not exceed	10,000	12,000	0 plus twelve percent the amount by which taxable income exceeds 10,000
Exceeds does not exceed	12,000	14,000	E240.00 plus sixteen percent of the amount by which taxable income exceeds 12,000.
Exceeds does not exceed	14,000	16,000	E560.00 plus sixteen percent of the amount by which taxable income exceeds 14,000.
Exceeds does not exceed	16,000	18,000	E880.00 plus twenty percent of the amount by which taxable income exceeds 16,000.
Exceeds does not exceed	18,000	20,000	E1,280.00 plus twenty percent of the amount by which taxable income exceeds 18,000
Exceeds does not exceed	20,000	22,000	E1,680.00 plus twenty four percent of the amount by which taxable income exceeds 20,000.

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Exceeds does not exceed	22,000	24,000	E2,160.00 plus twenty four percent of the amount by which taxable income exceeds 22,000.
Exceeds does not exceed	24,000	26,000	E2,640.00 plus thirty percent of the amount by which taxable income exceeds 24,000.
Exceeds does not exceed	26,000	28,000	E3,240.00 plus thirty percent of the amount by which taxable income exceeds 26,000.
Exceeds does not exceed	28,000	30,000	E3,840.00 plus thirty six percent of the amount by which taxable income exceeds 28,000.
Exceeds does not exceed	30,000	32,000	E4,560.00 plus thirty six percent of the amount by which taxable income exceeds 30,000.
Exceeds does not exceed	32,000	34,000	E5,280.00 plus thirty eight percent of the amount by which taxable income Exceeds 32,000.
Exceeds does not exceed	34,000	36,000	E6,040.00 plus thirty eight percent of the amount by which taxable income exceeds 34,000.
Exceeds does not exceed	36,000	38,000	E6,800.00 plus thirty eight percent of the amount by which taxable income exceeds 36,000.
Exceeds does not exceed	38,000	40,000	E7,560.00 plus thirty eight percent of the amount by which taxable income exceeds 38,000.
Exceeds	40,000		E8,320.00 plus forty percent of the amount by which taxable income exceeds 40,000."

