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GOVERNMENT GAZETTE

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DEPARTMENT OF THE PRIME MINISTER

No. 1345.

28 June 1978.

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

No. 101 of 1978: Income Tax Act, 1978.

DEPARTEMENT VAN DIE EERSTE MINISTER

No. 1345.

28 Junie 1978.

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

No. 101 van 1978: Inkomstebelastingwet, 1978.

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

ALGEMENE VERDUIDELIKENDE NOTA:

I **I** 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 1979 en 30 Junie 1979, en deur maatskappye ten opsigte van belasbare inkomstes vir jare van aanslag wat eindig gedurende die tydperk van twaalf maande eindigende op 31 Maart 1979; om voorsiening te maak vir die terugbetaling aan betrokke belastingpligtiges van 'n sekere gedeelte van normale belasting betaal; om die Inkomstebelastingwet, 1962, te wysig; om die Inkomstebelastingwet, 1977, te wysig; en om vir bykomstige aangeleenthede voorsiening te maak.

(Engelse teks deur die Staatspresident geteken.)
(Goedgekeur op 20 Junie 1978.)

DAAR WORD BEPAAL deur die Staatspresident, die Senaat en die Volksraad van die Republiek van Suid-Afrika, soos volg:—

Skale van normale belasting.

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

- (a) die belasbare inkomste van 'n ander persoon as 'n maatskappy vir die jaar van aanslag eindigende op 28 Februarie 1979 of 30 Junie 1979; en 10
- (b) die belasbare inkomste van 'n maatskappy wat volgens 'n vasstelling ingevolge die Hoofwet elders as in die gebied Suidwes-Afrika verkry is vir 'n jaar van aanslag wat eindig gedurende die tydperk van twaalf maande eindigende op 31 Maart 1979, 15

is soos uiteengesit in die Bylae by hierdie Wet.

Sekere gedeelte van die normale belasting is terugbetaalbaar aan belastingpligtiges.

2. Die gedeelte van die normale belasting wat ooreenkomstig die bepalings van paragraaf 1 (h) of (i) van die Bylae by hierdie Wet vasgestel is, is 'n leningsgedeelte van daardie belasting.

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,

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

- (a) deur paragrawe (a) en (b) van die omskrywing van „bystandsfonds” deur die volgende paragrawe te vervang:
 - „(a) 'n onderlinge hulpvereniging ingevolge die Wet op Onderlinge Hulpverenigings, 1956 (Wet No. 25 van 1956), geregistreer, of **[(b)]** 'n fonds wat nie aldus geregistreer is nie alleenlik vanweë die bepalings van artikel 2 (2) (a) van **[genoemde]** daardie Wet; of
 - (b) 'n mediese skema ingevolge die bepalings van die 30

Wet op Mediese Skemas, 1967 (Wet No. 72 van 1967), geregistreer; of”;

INCOME TAX ACT, 1978.

Act No. 101, 1978

GENERAL EXPLANATORY NOTE:

- [** Words in bold type in square brackets indicate omissions from existing enactments.
- Words underlined with 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 1979 and 30 June 1979, and by companies in respect of taxable incomes for years of assessment ending during the period of twelve months ending on 31 March 1979; to provide for the repayment to taxpayers concerned of a certain portion of normal tax paid; to amend the Income Tax Act, 1962; to amend the Income Tax Act, 1977; and to provide for incidental matters.

(English text signed by the State President.)
(Assented to 20 June 1978.)

BE IT ENACTED by the State President, the Senate and the House of Assembly of the Republic of South Africa, as follows:—

1. The rates of normal tax to be levied in terms of section 5 (2) Rates of
5 of the Income Tax Act, 1962 (Act No. 58 of 1962), hereinafter normal tax.
referred to as the principal Act, in respect of—
 - (a) the taxable income of any person other than a company for the year of assessment ending 28 February 1979 or 30 June 1979; and
 - 10 (b) the taxable income of any company determined under the principal Act to have been derived elsewhere than in the territory of South West Africa for any year of assessment ending during the period of twelve months ending on 31 March 1979,
 - 15 shall be as set forth in the Schedule to this Act.
2. The portion of the normal tax determined in accordance with Certain portion
the provisions of paragraph 1 (h) or (i) of the Schedule to this Act of normal tax
shall be a loan portion of that tax. repayable to
taxpayers.
3. (1) Section 1 of the principal Act is hereby amended—
 - 20 (a) by the substitution for paragraphs (a) and (b) of the definition of "benefit fund" of the following paragraphs:
 - 25 "(a) any friendly society registered under the Friendly Societies Act, 1956 (Act No. 25 of 1956), or **[(b)]** any fund which is not so registered solely because of the provisions of section 2 (2) (a) of **[the said]** that Act; or
 - (b) any medical scheme registered under the provisions of the Medical Schemes Act, 1967 (Act No. 72 of 1967); or";
 - 30

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,

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

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,
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
en artikel 4
van Wet 113 van
1977.

- (b) deur die volgende verdere voorbehoudsbepaling aan die einde van die omskrywing van „dividend” by te voeg:
„Met dien verstande voorts dat ’n reserwe van ’n maatskappy wat uit ’n bedrag bestaan of ’n bedrag insluit wat van die aandeelpremierekening van die maatskappy oorgeplaas is, behalwe in die mate waarin die Sekretaris oortuig is dat bedoelde reserwe uit ’n ander bedrag bestaan, vir die doeleindes van hierdie omskrywing geag word ’n aandeelpremierekening van, of ’n aandeelpremie ontvang deur, bedoelde maatskappy te wees.”; en
- (c) deur subparagraaf (v) van paragraaf (b) van die voorbehoudsbepaling by die omskrywing van „pensioenfonds” deur die volgende subparagraaf te vervang:
„(v) dat die fonds op so ’n wyse bestuur sal word dat die werkgewer, behalwe in die geval van ’n plaaslike bestuur, nie die bestuur of bates van die fonds sal kan beheer nie en geen geldelike voordeel uit gelde wat in die fonds gestort of uit die fonds uitbetaal word, sal kan trek nie, behalwe dat waar die werkgewer ’n vennootskap is, ’n lid van die vennootskap toegelaat kan word om bedoelde geldelike voordeel te trek indien hy voorheen ’n werknemer was en by toelating as vennoot toegelaat was om sy lidmaatskap van die fonds te behou asof hy nie opgehou het om ’n werknemer te wees nie, en sy bydraes gebaseer word op sy pensioengevende besoldiging gedurende die twaalf maande wat geëindig het op die dag waarop hy opgehou het om ’n werknemer te wees en sy voordele uit die fonds dienooreenkomstig bereken word; en”.

(2) Vir die doeleindes van aanslae ingevolge die Hoofwet—

- (a) word die wysiging deur paragraaf (a) van subartikel (1) aangebring, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 1 Januarie 1976 geëindig het of eindig; en
- (b) word die wysiging deur paragraaf (b) van subartikel (1) aangebring, geag in werking te getree het ten opsigte van ’n bedrag uitgekeer deur ’n maatskappy op of na 13 Junie 1978.

4. (1) Artikel 10 van die Hoofwet word hierby gewysig—

- (a) deur na subparagraaf (xiC) van paragraaf (i) van subartikel (1) die volgende subparagraawe in te voeg:
„(xiD) soveel van die rente op Republiek van Suid-Afrika 8 persent-Tesourie-obligasies as wat in die geval van ’n belastingpligtige nie in die jaar van aanslag die bedrag van drieduisend tweehonderd rand te bowe gaan nie;
- (xiE) rente op Verdedigingsbonusobligasies deur die Tesourie uitgereik en die bedrag van ’n prys betaal aan besitters van bedoelde obligasies wat vir die toekenning van pryse aangewys is;”; en
- (b) deur in subparagraaf (xiv) van paragraaf (i) van subartikel (1) die woorde „Bantoebeleggingskorporasie van Suid-Afrika, Beperk,” deur die woorde „Ekonomiese Ontwikkelingskorporasie, Beperk,” te vervang.
- (2) (a) Die wysiging deur paragraaf (a) van subartikel (1) aangebring, word vir die doeleindes van aanslae ingevolge die Hoofwet geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 1 Januarie 1978 geëindig het of eindig.
- (b) Die wysiging deur paragraaf (b) van subartikel (1) aangebring, word geag op 15 Junie 1977 in werking te getree het.

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 7 van
Wet 90 van 1972,
artikel 7 van
Wet 65 van 1973,
artikel 10 van
Wet 85 van 1974,
artikel 8 van
Wet 69 van 1975,
artikel 9 van
Wet 103 van 1976
en artikel 8 van
Wet 113 van 1977.

INCOME TAX ACT, 1978.

Act No. 101, 1978

- (b) by the addition at the end of the definition of "dividend" of the following further proviso:
 "Provided further that a reserve of any company which consists of or includes any amount transferred from the share premium account of the company shall, except to the extent to which the Secretary is satisfied that such reserve consists of any other amount, be deemed for the purposes of this definition to be a share premium account of, or share premium received by, such company."; and
- (c) by the substitution for subparagraph (v) of paragraph (b) of the proviso to the definition of "pension fund" of the following subparagraph:
 "(v) for the administration of the fund in such a manner as to preclude the employer, except in the case of a local authority, from controlling the management or assets of the fund and from deriving any monetary advantage from moneys paid into, or out of the fund, except that where the employer is a partnership, a member of the partnership may be permitted to derive such monetary advantage if he was previously an employee and, on becoming a partner, was permitted to retain his membership of the fund as though he had not ceased to be an employee, his contributions being based upon his pensionable emoluments during the twelve months which ended on the day on which he ceased to be an employee and his benefits from the fund being calculated accordingly; and"
- (2) For the purposes of assessments under the principal Act—
- (a) the amendment effected by paragraph (a) of subsection (1) shall be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 1 January 1976; and
- (b) the amendment effected by paragraph (b) of subsection (1) shall be deemed to have taken effect in respect of any amount distributed by a company on or after 13 June 1978.
4. (1) Section 10 of the principal Act is hereby amended—
- (a) by the insertion after subparagraph (xiC) of paragraph (i) of subsection (1) of the following subparagraphs:
 "(xiD) so much of the interest on Republic of South Africa 8 per cent Treasury Bonds as in the case of any taxpayer does not in the year of assessment exceed the sum of three thousand two hundred rand;
 (xiE) interest on Defence Bonus Bonds issued by the Treasury and the amount of any prize paid to holders of such bonds designated for the allocation of prizes"; and
- (b) by the substitution in subparagraph (xiv) of paragraph (i) of subsection (1) for the words "Bantu Investment Corporation of South Africa Limited" of the words "Corporation for Economic Development, Limited,".
- (2) (a) The amendment effected by paragraph (a) of subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect from the commencement of years of assessment ended or ending on or after 1 January 1978.
- (b) The amendment effected by paragraph (b) of subsection (1) shall be deemed to have taken effect on 15 June 1977.

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
 and section 4 of
 Act 113 of 1977.

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 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
 and section 8 of
 Act 113 of 1977.

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

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
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 11 van
Wet 69 van 1975
en artikel 9 van
Wet 113 van 1977.

5. Artikel 11 van die Hoofwet word hierby gewysig—

(a) deur subparagraaf (i) van paragraaf (k) deur die volgende subparagraaf te vervang:

„(i) 'n som gedurende die jaar van aanslag bygedra by wyse van lopende bydrae tot 'n pensioenfonds deur iemand wat 'n amp of betrekking beklee, waar die storting van so 'n bydrae 'n voorwaarde van die bekleding van dié amp of betrekking is, of deur iemand wat 'n vennoot is soos in subparagraaf (v) van paragraaf (b) van die voorbehoudsbepaling by die omskrywing van „pensioenfonds” bedoel: Met dien verstande dat die totale aftrekking toegestaan ten opsigte van bydraes deur so iemand tot **['n]** enige pensioenfonds of -fondse wat nie by wet of ten voordeel van werknemers van 'n plaaslike bestuur ingestel is nie, in die jaar van aanslag die bedrag van eenduisend sewehonderd-en-vyftig rand nie te bowe gaan nie;”;

(b) deur paragraaf (m) deur die volgende paragraaf te vervang:

„(m) 'n bedrag wat as jaargeld gedurende die jaar van aanslag deur 'n belastingpligtige betaal is—

(i) aan 'n voormalige werknemer wat op grond van ouderdom, swak gesondheid of ander gebrek uit die belastingpligtige se diens getree het; of

(ii) aan 'n persoon wat vir 'n tydperk van minstens vyf jaar 'n vennoot was in 'n onderneming deur die belastingpligtige bedryf en wat uit die vennootskap ten opsigte van daardie onderneming op grond van ouderdom, swak gesondheid of ander gebrek getree het, mits die Sekretaris oortuig is dat die bedrag aan bedoelde persoon aldus betaal redelik is, met inagneming van die dienste deur bedoelde persoon as 'n vennoot in bedoelde onderneming voor sy aftrede gelewer en die winste deur die onderneming gemaak, en dat genoemde bedrag nie vergoeding aan bedoelde persoon ten opsigte van sy belang in die vennootskap verteenwoordig nie; of

[(ii)] (iii) aan 'n persoon wat vir sy onderhoud afhanklik is van 'n voormalige werknemer of 'n voormalige vennoot in 'n onderneming deur die belastingpligtige bedryf of (ingeval so 'n voormalige werknemer of voormalige vennoot oorlede is) onmiddellik voor sy dood aldus afhanklik was:

Met dien verstande dat die aftrekking ingevolge subparagraaf **[(ii)] (iii)** ten opsigte van persone wat aldus van 'n enkele afgetrede or oorlede werknemer of voormalige vennoot afhanklik is, die som van eenduisend rand nie te bowe gaan nie;”;

(c) deur in subparagraaf (aa) van paragraaf (n) die woorde wat die voorbehoudsbepaling voorafgaan deur die volgende woorde te vervang:

„(aa) soveel van die totale lopende bydraes aan **['n]** enige uittredingannuïteitsfonds of -fondse wat deur iemand as 'n lid van daardie fonds of fondse gemaak word gedurende 'n jaar van aanslag waarin so iemand 'n bedryf beoefen het, as wat nie in die jaar van aanslag meer bedra nie as drieduisend vyfhonderd rand in die geval van die belastingpligtige of, waar die belastingpligtige op 'n aftrekking ingevolge paragraaf (k) (i) geregtig is, die bedrag waarmee die aftrekking ingevolge daardie paragraaf minder is as drieduisend vyfhonderd rand;” en

INCOME TAX ACT, 1978.

Act No. 101, 1978

5. Section 11 of the principal Act is hereby amended—

(a) by the substitution for subparagraph (i) of paragraph (k) of the following subparagraph:

5 “(i) any sum contributed during the year of assessment to any pension fund by way of current contribution by any person **holding** who holds any office or employment, where the making of such a contribution is a condition of the holding of such office or employment, or by any person who is a partner referred to in subparagraph (v) of paragraph (b) of the proviso to the definition of ‘pension fund’: Provided that the total deduction to be allowed in respect of contributions by such person to **a** any pension fund or funds not established by law or for the benefit of employees of a local authority shall not in the year of assessment exceed the sum of one thousand seven hundred and fifty rand;”;

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 85 of 1974, section 11 of Act 69 of 1975 and section 9 of Act 113 of 1977.

20 (b) by the substitution for paragraph (m) of the following paragraph:

“(m) any amount paid by way of annuity during the year of assessment by any taxpayer—

25 (i) to a former employee who has retired from the taxpayer’s employ on grounds of old age, ill health or infirmity; or

30 (ii) to a person who was for a period of at least five years a partner in an undertaking carried on by the taxpayer and who retired from the partnership in respect of that undertaking on grounds of old age, ill health or infirmity, provided the Secretary is satisfied that the amount so paid to such person is reasonable, having regard to the services rendered by such person as a partner in such undertaking prior to his retirement and the profits made in such undertaking, and that the said amount does not represent consideration payable to such person in respect of his interest in the partnership; or

40 **[(ii)]** (iii) to any person who is dependent for his maintenance upon a former employee or a former partner in an undertaking carried on by the taxpayer or (where such former employee or former partner is deceased) was so dependent immediately prior to his death:

45 Provided that the deduction under subparagraph **[(ii)]** (iii) shall not exceed in respect of the persons so dependent on any one retired or deceased employee or former partner, the sum of one thousand rand;”;

50 (c) by the substitution in subparagraph (aa) of paragraph (n) for the words preceding the proviso of the following words:

55 “(aa) so much of the total current contributions to any retirement annuity fund or funds made by any person as a member of such fund or funds during a year of assessment during which such person has carried on any trade as does not in the year of assessment exceed three thousand five hundred rand in the case of the taxpayer or, where the taxpayer is entitled to a deduction under paragraph (k) (i), the amount by which the amount of the deduction under the said paragraph is less than three thousand five hundred rand;” and

60

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

- (d) deur subparagraaf (bb) van paragraaf (n) deur die volgende subparagraaf te vervang:
- „(bb) soveel van die totaal van bydraes **[wat in die geval van die belastingpligtige nie meer as eenduisend rand bedra nie wat]** deur iemand as 'n lid van **[’n]** enige uittredingannuïteitsfonds of -fondse aan dié fonds of fondse gemaak **[word]** gedurende 'n jaar van aanslag waarin so iemand 'n bedryf beoefen het, as wat in die geval van die belastingpligtige nie eenduisend rand te bowe gaan nie, waar bedoelde bydraes gemaak word op voorwaardes voorgeskryf in die reëls van **[daar-die]** die fonds waarvolgens 'n lid wat sy bydraes ontydig gestaak het, op herstel as 'n volwaardige lid daarvan geregtig is en die lopende bydraes aan die fonds ten volle betaal is: Met dien verstande dat geen aftrekking ingevolge hierdie subparagraaf gemaak word nie ten opsigte van 'n bydrae wat op 'n jaar van aanslag betrekking het en wat, indien dit gedurende daardie jaar gemaak was, nie vir aftrekking ingevolge hierdie paragraaf, soos met betrekking tot bedoelde jaar van toepassing, in aanmerking sou gekom het nie;”.

Wysiging van artikel 12 van Wet 58 van 1962, soos vervang deur artikel 15 van Wet 55 van 1966 en gewysig deur artikel 12 van Wet 52 van 1970, artikel 11 van Wet 88 van 1971, artikel 11 van Wet 90 van 1972, artikel 12 van Wet 65 van 1973, artikel 15 van Wet 85 van 1974 en artikel 11 van Wet 69 van 1975 en artikel 13 van Wet 113 van 1977.

6. (1) Artikel 12 van die Hoofwet word hierby gewysig—
- (a) deur subartikel (1) deur die volgende subartikel te vervang:
- „(1) Ten opsigte van **[nuwe of ongebruikte masjinerie of installasie]**—
- (a) nuwe of ongebruikte masjinerie of installasie wat deur 'n belastingpligtige vir die doeleindes van sy bedryf (behalwe mynbou of boerdery) in gebruik geneem word en deur hom regstreeks gebruik word by 'n vervaardigingsproses deur hom uitgevoer of 'n ander proses deur hom uitgevoer wat volgens die Sekretaris se oordeel van dergelike aard is; of
- (b) nuwe of ongebruikte masjinerie of installasie wat vir die eerste maal op of na 17 Augustus 1966 deur 'n belastingpligtige verhuur is of word en deur die huurder vir die doeleindes van die huurder se bedryf (behalwe mynbou of boerdery) in gebruik geneem word en deur die huurder regstreeks gebruik word by 'n vervaardigingsproses deur hom uitgevoer of 'n ander proses deur hom uitgevoer wat volgens die Sekretaris se oordeel van dergelike aard is; of
- (c) gebruikte masjinerie of installasie, behalwe gebruikte masjinerie of installasie in subartikel (3)
- (b) (i) bedoel, wat op of na 1 April 1978 deur 'n belastingpligtige vir die doeleindes van sy bedryf, behalwe mynbou of boerdery, in gebruik geneem is of word en deur hom regstreeks gebruik word by 'n vervaardigingsproses deur hom uitgevoer of 'n ander proses deur hom uitgevoer wat volgens die Sekretaris se oordeel van dergelike aard is; of
- (d) gebruikte masjinerie of installasie, behalwe gebruikte masjinerie of installasie in subartikel (3)
- (b) (i) bedoel, wat vir die eerste keer op of na 1 April 1978 deur 'n belastingpligtige verhuur is of word en deur die huurder vir die doeleindes van die huurder se bedryf, behalwe mynbou of boerdery, in gebruik geneem word en deur die huurder regstreeks gebruik word by 'n vervaardigingsproses deur hom uitgevoer of 'n ander proses deur hom uitgevoer wat volgens die Sekretaris se oordeel van dergelike aard is,
- word daar vir die jaar van aanslag waarin dié masjinerie of installasie aldus in gebruik geneem word,

INCOME TAX ACT, 1978.

Act No. 101, 1978

- (d) by the substitution for subparagraph (bb) of paragraph (n) of the following subparagraph:

“(bb) so much of the total of any contributions **[not exceeding one thousand rand in the case of the taxpayer]** to any retirement annuity fund or funds made by any person as a member of such fund or funds during a year of assessment during which such person has carried on any trade as does not exceed one thousand rand in the case of the taxpayer, where such contributions are made under conditions prescribed in the rules of **[such]** the fund whereby a member who has discontinued his contributions prematurely is entitled to be reinstated as a full member thereof and the current contributions to the fund have been paid in full; Provided that no deduction shall be made under this subparagraph in respect of any contribution relating to any year of assessment which, if such contribution had been made during that year, would not have qualified for deduction under this paragraph, as applicable in relation to the said year;”.

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

- (a) by the substitution for subsection (1) of the following subsection:

“(1) In respect of **[new or unused machinery or plant]**—

(a) new or unused machinery or plant which is brought into use by any taxpayer for the purposes of his trade (other than mining or farming) and is used by him directly in a process of manufacture carried on by him or any other process carried on by him which in the opinion of the Secretary is of a similar nature; or

(b) new or unused machinery or plant, which was or is first let by any taxpayer on or after 17 August 1966 and is brought into use by the lessee for the purposes of the lessee's trade (other than mining or farming) and is used by the lessee directly in a process of manufacture carried on by him or any other process carried on by him which in the opinion of the Secretary is of a similar nature; or

(c) used machinery or plant, other than used machinery or plant referred to in subsection (3) (b) (i), which was or is on or after 1 April 1978 brought into use by any taxpayer for the purposes of his trade, other than mining or farming, and is used by him directly in a process of manufacture carried on by him or in any other process carried on by him which in the opinion of the Secretary is of a similar nature; or

(d) used machinery or plant, other than used machinery or plant referred to in subsection (3) (b) (i), which was or is let by any taxpayer for the first time on or after 1 April 1978 and is brought into use by the lessee for the purposes of the lessee's trade, other than mining or farming, and is used by the lessee directly in a process of manufacture carried on by him or any other process carried on by him which in the opinion of the Secretary is of a similar nature,

there shall be allowed to be deducted from the income of such taxpayer for the year of assessment during

Amendment of section 12 of Act 58 of 1962, as substituted by section 15 of Act 55 of 1966 and amended by section 12 of Act 52 of 1970, section 11 of Act 88 of 1971, section 11 of Act 90 of 1972, section 12 of Act 65 of 1973, section 15 of Act 85 of 1974, section 11 of Act 69 of 1975 and section 13 of Act 113 of 1977.

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

aan die belastingpligtige 'n vermindering op sy inkomste, genoem die 'masjinerie-aanvangsvermindering', toegelaat.”;

- (b) deur subartikel (1A) deur die volgende subartikel te vervang: 5
- „(1A) Die masjinerie-aanvangsvermindering in-gevolge subartikel (1) word op die koste (soos volgens voorskrif van die bepalings van subartikel (1B) vasgestel) vir die betrokke belastingpligtige van die masjinerie of installasie wat vir die vermindering in aanmerking 10 kom, bereken, en die skaal van daardie vermindering is—
- (i) ten opsigte van nuwe of ongebruikte masjinerie of installasie wat op of voor 14 Augustus 1974 in gebruik geneem is, vyftien persent van bedoelde 15 koste: Met dien verstande dat waar sodanige masjinerie of installasie in 'n ekonomiese ontwikkelingsgebied in gebruik geneem is, die Minister van Finansies, met behoorlike inagneming van die omstandighede van die geval, kan gelas dat die 20 vermindering tot 'n bedrag van hoogstens dertig persent van bedoelde koste verhoog word; of
- (ii) ten opsigte van nuwe of ongebruikte masjinerie of installasie wat op of na 15 Augustus 1974 in gebruik geneem is of word, vyf-en-twintig persent 25 van bedoelde koste: Met dien verstande dat waar sodanige masjinerie of installasie in 'n ekonomiese ontwikkelingsgebied in gebruik geneem is, die Minister van Finansies, met behoorlike inagneming van die omstandighede van die geval, kan gelas dat 30 die vermindering tot 'n bedrag van hoogstens veertig persent van bedoelde koste verhoog word; of
- (iii) ten opsigte van gebruikte masjinerie of installasie wat op of na 1 April 1978 in gebruik geneem is of 35 word, vyf-en-twintig persent van bedoelde koste.”;
- (c) deur in subartikel (2) die woorde wat subparagraaf (i) voorafgaan deur die volgende woorde te vervang:
- „(2) Waar enige nuwe of ongebruikte masjinerie of installasie— 40
- (a) deur 'n belastingpligtige vir die doeleindes van sy bedryf (behalwe mynbou of boerdery) nie later as 30 Junie 1979 nie in gebruik geneem word en deur hom regstreeks gebruik word by 'n vervaardigingsproses deur hom uitgevoer of 'n ander proses deur 45 hom uitgevoer wat volgens die Sekretaris se oordeel van dergelike aard is; of
- (b) wat vir die eerste maal op of na 17 Augustus 1966 en op of voor 30 Junie 1979 deur 'n belastingpligtige verhuur is of word en deur die huurder vir die doeleindes van die huurder se bedryf (behalwe mynbou of boerdery) in gebruik geneem word en deur die huurder regstreeks gebruik word by 'n vervaardigingsproses deur hom uitgevoer of 'n ander proses deur hom uitgevoer wat volgens die 55 Sekretaris se oordeel van dergelike aard is: Met dien verstande dat die bepalings van hierdie paragraaf nie van toepassing is nie indien die huurder nie by die beoefening van bedoelde bedryf bedrae verkry wat vir die doeleindes van hierdie 60 Wet inkomste uitmaak nie, tensy die betrokke masjinerie of installasie gespesifiseer word in 'n skriftelike huurooreenkoms tussen die belastingpligtige en die huurder wat voor die datum van afkondiging van die Inkomstebelastingwet, 1978, 65 gesluit is, en die huurder hom in daardie ooreenkoms bind om huurgeld vir bedoelde masjinerie of installasie te betaal wat in die ooreenkoms bepaal is; of

INCOME TAX ACT, 1978.

Act No. 101, 1978

which such machinery or plant is so brought into use an allowance, to be known as the 'machinery initial allowance'.";

- 5 (b) by the substitution for subsection (1A) of the following subsection:

10 "(1A) The machinery initial allowance under subsection (1) shall be calculated on the cost (as determined in accordance with the provisions of subsection (1B)) to the taxpayer concerned of the machinery or plant which qualifies for the allowance and the rate of the allowance shall be—

15 (i) in respect of new or unused machinery or plant brought into use on or before 14 August 1974, fifteen per cent of such cost: Provided that if such machinery or plant has been brought into use in an economic development area, the Minister of Finance may, having due regard to the circumstances of the case, direct that the allowance be increased to a sum not exceeding thirty per cent of such cost; or

20 (ii) in respect of new or unused machinery or plant brought into use on or after 15 August 1974, twenty-five per cent of such cost: Provided that if such machinery or plant has been brought into use in an economic development area, the Minister of Finance may, having due regard to the circumstances of the case, direct that the allowance be increased to a sum not exceeding forty per cent of such cost; or

25 (iii) in respect of used machinery or plant brought into use on or after 1 April 1978, twenty-five per cent of such cost."

- 30 (c) by the substitution in subsection (2) for the words preceding subparagraph (i) of the following words:

35 "(2) Where any new or unused machinery or plant—

40 (a) is brought into use not later than 30 June 1979 by any taxpayer for the purposes of his trade (other than mining or farming) and is used by him directly in a process of manufacture carried on by him or any other process carried on by him which in the opinion of the Secretary is of a similar nature; or

45 (b) was or is first let by any taxpayer on or after 17 August 1966 and on or before 30 June 1979 and is brought into use by the lessee for the purposes of the lessee's trade (other than mining or farming) and is used by the lessee directly in a process of manufacture carried on by him or any other process carried on by him which in the opinion of the Secretary is of a similar nature: Provided that the provisions of this paragraph shall not apply if the lessee does not in carrying on the said trade derive amounts constituting income for the purposes of this Act, unless the machinery or plant in question is specified in a written agreement of lease between the taxpayer and the lessee concluded before the date of promulgation of the Income Tax Act, 1978, and the lessee binds himself in such agreement to pay a rental for such machinery or plant which is fixed in the agreement; or

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

- (c) deur 'n belastingpligtige vir die doeleindes van sy bedryf (behalwe mynbou of boerdery) op of na 1 Julie 1979 in gebruik geneem word en deur hom regstreeks gebruik word by 'n vervaardigingsproses deur hom uitgevoer; of 5
- (d) vir die eerste maal deur 'n belastingpligtige op of na 1 Julie 1979 verhuur word en deur die huurder vir die doeleindes van die huurder se bedryf (behalwe mynbou of boerdery) in gebruik geneem word en deur die huurder regstreeks gebruik word by 'n vervaardigingsproses deur hom uitgevoer: Met dien verstande dat die bepalinge van hierdie paragraaf nie van toepassing is nie indien die huurder nie by die beoefening van bedoelde bedryf bedrae verkry wat vir die doeleindes van hierdie Wet inkomste uitmaak nie, tensy die betrokke masjinerie of installasie gespesifiseer word in 'n skriftelike huurooreenkoms tussen die belastingpligtige en die huurder wat voor die datum van afkondiging van die Inkomstebelastingwet, 1978, gesluit is, en die huurder hom in daardie ooreenkoms bind om huurgeld vir bedoelde masjinerie of installasie te betaal wat in die ooreenkoms bepaal is, 10 15 20

word daar bowendien vir die jaar van aanslag waarin dié masjinerie of installasie aldus in gebruik geneem word, aan die belastingpligtige 'n vermindering op sy inkomste, genoem die „masjinerie-beleggingsvermindering”, toegelaat indien—”;

- (d) deur die woord „en” aan die einde van subparagraaf (iii) van subartikel (2) deur die woord „of” te vervang; 30
- (e) deur in subparagraaf (iv) van subartikel (2) die uitdrukking „1979” deur die uitdrukking „1982” te vervang;
- (f) deur in subparagraaf (iiB) van paragraaf (c) van subartikel (2A) die uitdrukking „1979” deur die uitdrukking „1982” te vervang; 35
- (g) deur in subparagraaf (iii) van paragraaf (c) van subartikel (2A) die uitdrukking „1979” deur die uitdrukking „1982” te vervang;
- (h) deur in subparagraaf (iv) van paragraaf (d) van subartikel (2A) die uitdrukking „1979” deur die uitdrukking „1982” te vervang; en 40
- (i) deur in subartikel (3) die woorde wat paragraaf (a) voorafgaan deur die volgende woorde te vervang: „(3) Die bepalinge van subartikels (1), (1A), (1B), (2) en (2A) is *mutatis mutandis* van toepassing—” 45

(2) Die wysigings deur subartikel (1) aangebring, word vir die doeleindes van aanslae ingevolge die Hoofwet geag in werking te getree het ten opsigte van jare van aanslag wat op of na 1 April 1978 eindig. 50

Wysiging van artikel 13 van Wet 58 van 1962, soos gewysig deur artikel 12 van Wet 90 van 1962, artikel 5 van Wet 6 van 1963, artikel 11 van Wet 72 van 1963, artikel 12 van Wet 90 van 1964, artikel 14 van Wet 88 van 1965, artikel 17 van Wet 55 van 1966, artikel 13 van Wet 52 van 1970, artikel 13 van Wet 88 van 1971,

7. Artikel 13 van die Hoofwet word hierby gewysig—

- (a) deur in subartikel (5) (e) die uitdrukking „1979”, oral waar dit voorkom, deur die uitdrukking „1982” te vervang;
- (b) deur die voorbehoudsbepaling by subartikel (5) deur die volgende voorbehoudsbepaling te vervang: 55
- „Met dien verstande dat—
- (i) geen vermindering ingevolge hierdie subartikel gemaak word nie ten opsigte van 'n gebou of verbeterings op 'n perseel wat nie aan die belastingpligtige behoort nie, tensy die belastingpligtige op die datum waarop die oprigting van sodanige gebou of die aanbring van sodanige verbeterings 'n aanvang geneem het, op die okkupasie van sodanige perseel vir 'n tydperk eindigende nie minder nie as tien jaar na bedoelde datum geregtig is; 60 65

INCOME TAX ACT, 1978.

Act No. 101, 1978

- (c) is brought into use on or after 1 July 1979 by any taxpayer for the purposes of his trade (other than mining or farming) and is used by him directly in a process of manufacture carried on by him; or
- 5 (d) is first let by any taxpayer on or after 1 July 1979 and is brought into use by the lessee for the purposes of the lessee's trade (other than mining or farming) and is used by the lessee directly in a process of manufacture carried on by him: Provided that the provisions of this paragraph shall not apply
- 10 if the lessee does not in carrying on the said trade derive amounts constituting income for the purposes of this Act, unless the machinery or plant in question is specified in a written agreement of lease
- 15 between the taxpayer and the lessee concluded before the date of promulgation of the Income Tax Act, 1978, and the lessee binds himself in such agreement to pay a rental for such machinery or plant which is fixed in the agreement,
- 20 there shall further be allowed to be deducted from the income of such taxpayer for the year of assessment during which such machinery or plant is so brought into use an allowance, to be known as the 'machinery investment allowance', if—
- 25 (d) by the substitution in the Afrikaans text for the word "en" at the end of subparagraph (iii) of subsection (2) of the word "of";
- (e) by the substitution in subparagraph (iv) of subsection (2) for the expression "1979" of the expression "1982";
- 30 (f) by the substitution in subparagraph (iiB) of paragraph (c) of subsection (2A) for the expression "1979" of the expression "1982";
- (g) by the substitution in subparagraph (iii) of paragraph (c) of subsection (2A) for the expression "1979" of the expression "1982";
- 35 (h) by the substitution in subparagraph (iv) of paragraph (d) of subsection (2A) for the expression "1979" of the expression "1982"; and
- (i) by the substitution in subsection (3) for the words preceding paragraph (a) of the following words:
- 40 " (3) The provisions of subsections (1), (1A), (1B), (2) and (2A) shall *mutatis mutandis* apply—".

(2) The amendments effected by subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to

45 have taken effect in respect of years of assessment ending on or after 1 April 1978.

7. Section 13 of the principal Act is hereby amended—

- (a) by the substitution in subsection (5) (e) for the expression "1979", wherever it occurs, of the expression "1982";
- 50 (b) by the substitution for the proviso to subsection (5) of the following proviso:
- "Provided that—
- (i) no allowance shall be made under this subsection in respect of any building or improvements on any premises not owned by the taxpayer unless the taxpayer at the date on which the erection of such building or the introduction of such improvements is commenced is entitled to the occupation of such premises for a period ending not less than ten years
- 55 after such date;
- 60

Amendment of section 13 of Act 58 of 1962, as amended by section 12 of Act 90 of 1962, section 5 of Act 6 of 1963, section 11 of Act 72 of 1963, section 12 of Act 90 of 1964, section 14 of Act 88 of 1965, section 17 of Act 55 of 1966, section 13 of Act 52 of 1970, section 13 of Act 88 of 1971,

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

artikel 12 van
Wet 90 van 1972,
artikel 13 van
Wet 65 van 1973,
artikel 16 van
Wet 85 van 1974
en artikel 13
van Wet 69 van
1975.

- (ii) die verwysings in hierdie subartikel na 'n proses wat volgens die Sekretaris se oordeel van 'n aard soortgelyk aan 'n vervaardigingsproses is, nie van toepassing is ten opsigte van 'n gebou waarvan die oprigting na 30 Junie 1979 'n aanvang neem of ten opsigte van gebouverbeterings wat na daardie datum 'n aanvang neem nie en ook nie ten opsigte van 'n gebou na 30 Junie 1980 in gebruik geneem of enige verbeterings na daardie datum voltooi nie; 5
- (iii) geen vermindering ingevolge hierdie subartikel gemaak word nie ten opsigte van 'n gebou deur die belastingpligtige verhuur of ten opsigte van verbeterings daaraan, tensy— 10
- (aa) die ontvangste en toevallings wat die huurder by die beoefening van sy voormelde bedryf verkry, inkomste vir die doeleindes van hierdie Wet uitmaak; of 15
- (bb) die oprigting van die gebou of die verbeterings op of voor 30 Junie 1979 'n aanvang neem, die gebou opgerig of die verbeterings aangebring word uit hoofde van 'n skriftelike ooreenkoms gesluit deur die belastingpligtige en 'n boukontraakteur voor die datum van afkondiging van die Inkomstebelastingwet, 1978, die gebou of die verbeterings in daardie ooreenkoms gespesifiseer word, die belastingpligtige hom bind om 'n prys vir die gebou of verbeterings te betaal wat in die ooreenkoms beding word, en bedoelde gebou in gebruik geneem of daardie verbeterings voltooi word, na gelang van die geval, nie later nie as 30 Junie 1980.''; 20 25 30
- (c) deur in paragraaf (ii) van die voorbehoudsbepaling by subartikel (6) die uitdrukking „1980” deur die uitdrukking „1983” te vervang; 35
- (d) deur in subparagraaf (i) van paragraaf (a) van subartikel (6A) die uitdrukking „1979” deur die uitdrukking „1982” te vervang; 40
- (e) deur in subparagraaf (ii) van paragraaf (a) van subartikel (6A) die uitdrukking „1980” deur die uitdrukking „1983” te vervang; en 45
- (f) deur in subparagraaf (iiA) van paragraaf (a) van subartikel (6A) die uitdrukking „1979”, waar dit ook al voorkom, deur die uitdrukking „1982” te vervang, en deur in daardie subparagraaf die uitdrukking „1980” deur die uitdrukking „1983” te vervang. 50

Wysiging van
artikel 20 van
Wet 58 van 1962,
soos gewysig deur
artikel 13 van
Wet 90 van 1964,
artikel 18 van
Wet 88 van 1965,
artikel 13 van
Wet 76 van 1968,
artikel 18 van
Wet 89 van 1969
en artikel 15 van
Wet 65 van 1973.

8. (1) Artikel 20 van die Hoofwet word hierby gewysig deur die volgende voorbehoudsbepaling by subartikel (5) te voeg:
„Met dien verstande dat soveel van 'n balans van vasgestelde verlies deur 'n maatskappy by die beoefening van 'n bedryf in die hawe of nedersetting van Walvisbaai voor 1 September 1977 gelyk as wat nie in vergelyking gebring is teen inkomste deur die maatskappy in die gebied verkry nie, geag word 'n vasgestelde verlies te wees wat gelyk is by die beoefening van 'n bedryf elders as in die gebied.’’. 55

(2) Die wysiging deur subartikel (1) aangebring, word vir die doeleindes van aanslae ingevolge die Hoofwet geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 1 September 1977 geëindig het of eindig.

9. (1) Die volgende artikel word hierby in die Hoofwet na 60 artikel 24A ingevoeg:

Invoeging van
artikel 24B in
Wet 58 van 1962.

„Winst of
verlies op
transaksies
met
buitelandse
valuta.

24B. (1) Waar 'n belastingpligtige op of na 29

Maart 1978 'n krediet in buitelandse valuta terugbetaal het wat deur die belastingpligtige aangewend is met die doel om uitgawes aan te gaan vir doeleindes van die voortbrenging van inkomste wat die belastingpligtige by die beoefening in die Republiek van 'n kommersiële, industriële of mynonderneming 65

INCOME TAX ACT, 1978.

Act No. 101, 1978

- (ii) the references in this subsection to any process which in the opinion of the Secretary is of a nature similar to a process of manufacture, shall not apply in respect of any building the erection of which is commenced after 30 June 1979 or in respect of any building improvements commenced after that date, nor in respect of any building brought into use after 30 June 1980 or any improvements completed after that date;
- (iii) no allowance shall be made under this subsection in respect of any building let by the taxpayer or in respect of any improvements thereto unless—
- (aa) the receipts and accruals derived by the lessee in carrying on his aforementioned trade constitute income for the purposes of this Act; or
- (bb) the erection of the building is, or the improvements are, commenced on or before 30 June 1979, the building is erected or the improvements are effected in pursuance of a written agreement concluded by the taxpayer and a building contractor before the date of promulgation of the Income Tax Act, 1978, the building is or such improvements are specified in such agreement, the taxpayer binds himself to pay a price, stipulated in the agreement, for the building or improvements, and such building is brought into use or such improvements are completed, as the case may be, not later than 30 June 1980.”;
- (c) by the substitution in paragraph (ii) of the proviso to subsection (6) for the expression “1980” of the expression “1983”;
- (d) by the substitution in subparagraph (i) of paragraph (a) of subsection (6A) for the expression “1979” of the expression “1982”;
- (e) by the substitution in subparagraph (ii) of paragraph (a) of subsection (6A) for the expression “1980” of the expression “1983”; and
- (f) by the substitution in subparagraph (iiA) of paragraph (a) of subsection (6A) for the expression “1979”, wherever it occurs, of the expression “1982”, and by the substitution in that subparagraph for the expression “1980” of the expression “1983”.

section 12 of
Act 90 of 1972,
section 13 of
Act 65 of 1973,
section 16 of
Act 85 of 1974
and section 13 of
Act 69 of 1975.

8. (1) Section 20 of the principal Act is hereby amended by the addition to subsection (5) of the following proviso:

“Provided that so much of any balance of assessed loss incurred by a company in carrying on any trade in the port or settlement of Walvis Bay prior to 1 September 1977 as has not been set off against income derived by the company in the territory, shall be deemed to be an assessed loss incurred in carrying on a trade elsewhere than in the territory.”.

Amendment of
section 20 of
Act 58 of 1962,
as amended by
section 13 of
Act 90 of 1964,
section 18 of
Act 88 of 1965,
section 13 of
Act 76 of 1968,
section 18 of
Act 89 of 1969
and section 15 of
Act 65 of 1973.

(2) The amendment effected by subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 1 September 1977.

9. (1) The following section is hereby inserted in the principal Act after section 24A:

Insertion of
section 24B in
Act 58 of 1962.

“Gains or
losses on
foreign
exchange
transactions.

24B. (1) Where any taxpayer has on or after 29 March 1978 repaid any credit in a foreign currency which was utilized by the taxpayer for the purpose of incurring expenditure designed to produce income derived by the taxpayer from carrying on in the Republic any commercial, industrial or mining under-

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

verkry het en by die terugbetaling van bedoelde krediet 'n wins gemaak het of 'n verlies gely het, word, by die vasstelling van die belastingpligtige se belasbare inkomste, daardie wins by die belastingpligtige se inkomste ingesluit of word, by bedoelde vasstelling, daardie verlies van die belastingpligtige se inkomste afgetrek, tensy, toe bedoelde krediet aldus aangewend is, 'n termynvalutakontrak aan die belastingpligtige ten opsigte van die terugbetaling van die krediet beskikbaar was.

(2) Bedoelde wins of verlies word geag die verskil te wees tussen die ekwivalent in die valuta van die Republiek van die bedrag van die krediet, toe dit deur die belastingpligtige aldus aangewend is, en die ekwivalente bedrag in die valuta van die Republiek wat inderdaad nodig was om die krediet terug te betaal, en word bedoelde wins of verlies geag gemaak of gely te gewees het op die tydstip toe die krediet terugbetaal is: Met dien verstande dat waar, na die datum waarop die krediet aangewend is, 'n verandering in die wisselkoerse met betrekking tot buitelandse valuta plaasgevind het as gevolg waarvan die belastingpligtige se inkomste of belasbare inkomste vir normale belastingdoeleindes aangepas is, daardie aanpassing in aanmerking geneem word ten einde bedoelde wins of verlies vas te stel.

(3) By die toepassing van hierdie artikel beteken „termynvalutakontrak” 'n ooreenkoms met 'n gemagtigde handelaar in buitelandse valutas in die Republiek, waarvolgens valuta van die Republiek op 'n toekomstige datum teen 'n bepaalde wisselkoers vir buitelandse valuta geruil word.”

(2) Die wysiging deur subartikel (1) aangebring, word vir die doeleindes van aanslae ingevolge die Hoofwet geag van toepassing te wees ten opsigte van jare van aanslag wat op of na 29 Maart 1978 geëindig het of eindig.

Wysiging van
artikel 26 van
Wet 58 van 1962.

10. Artikel 26 van die Hoofwet word hierby deur die volgende artikel vervang:

„Vasstelling van belasbare inkomste uit boerdery verkry. 26. (1) Die belasbare inkomste van iemand wat veeboerdery, landbou of ander boerdery beoefen, word, vir sover dit uit so 'n boerdery verkry word, met inagneming van die bepalings van die Eerste Bylae, ooreenkomstig die bepalings van hierdie Wet vasgestel.

(2) In die geval van iemand wat veeboerdery, landbou of ander boerdery gestaak het en nog lewende hawe of produkte besit, of 'n skaappag of dergelyke ooreenkoms betreffende lewende hawe of produkte aangegaan het, welke lewende hawe of produkte in berekening gebring is en ten opsigte waarvan uitgawes ingevolge die bepalings van hierdie Wet of 'n vorige Inkomstebelastingwet toegelaat is by die vasstelling van die belasbare inkomste van so iemand toe bedoelde boerdery beoefen was, bly die bepalings van hierdie Wet, maar onderworpe aan die bepalings van paragrafe 1, 2, 3, 4, 5, 6, 7, 9 of 11 van die Eerste Bylae, op so iemand van toepassing ten opsigte van bedoelde lewende hawe of produkte, na gelang van die geval, tot die jaar van aanslag waartydens hy die laaste van bedoelde lewende hawe of produkte van die hand sit, ongeag die feit dat bedoelde boerdery gestaak is.”

Wysiging van
artikel 27 van
Wet 58 van 1962,
soos gewysig deur
artikel 17 van
Wet 113 van 1977.

11. Artikel 27 van die Hoofwet word hierby gewysig—

- (a) deur in subparagrafe (i) en (ii) van paragraaf (c) van subartikel (2) die uitdrukking „1979” deur die uitdrukking „1982” te vervang;
- (b) deur in paragraaf (e) van subartikel (2) die uitdrukking „1979” deur die uitdrukking „1982” te vervang;

INCOME TAX ACT, 1978.

Act No. 101, 1978

taking and in repaying such credit has realized a gain or sustained a loss, such gain shall in the determination of the taxpayer's taxable income be included in the taxpayer's income or such loss shall in the said determination be deducted from the taxpayer's income, unless, when such credit was so utilized, a forward exchange contract was available to the taxpayer in respect of the repayment of the credit.

(2) Such gain or loss shall be deemed to be the difference between the equivalent in the currency of the Republic of the amount of the credit, when it was utilized by the taxpayer as aforesaid, and the equivalent amount in the currency of the Republic actually required to repay the credit, and such gain or loss shall be deemed to have been realized or sustained at the time when the credit was repaid: Provided that where, subsequent to the date on which the credit was utilized, any change in foreign currency exchange rates occurred in consequence of which the taxpayer's income or taxable income was adjusted for normal tax purposes, such adjustment shall be taken into account for the purposes of determining the said gain or loss.

(3) For the purposes of this section 'forward exchange contract' means any agreement with an authorized dealer in foreign currencies in the Republic, whereby currency of the Republic is exchanged for a foreign currency at some future date at a specified rate of exchange."

(2) The amendment effected by subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to apply in respect of years of assessment ended or ending on or after 29 March 1978.

10. The following section is hereby substituted for section 26 of the principal Act:

Amendment of section 26 of Act 58 of 1962.

35 "Determination of taxable income derived from farming. 26. (1) The taxable income of any person carrying on pastoral, agricultural or other farming operations shall, in so far as it is derived from such operations, be determined in accordance with the provisions of this Act but subject to the provisions of the First Schedule.

40 (2) In the case of any person who has discontinued carrying on pastoral, agricultural or other farming operations and is still in possession of any livestock or produce, or has entered into a 'sheep lease' or similar agreement relating to livestock or produce, which has been taken into account and in respect of which expenditure under the provisions of this Act or any previous Income Tax Act has been allowed in the determination of the taxable income derived by such person when such operations were carried on, the provisions of this Act, but subject to the provisions of paragraphs 1, 2, 3, 4, 5, 6, 7, 9 or 11 of the First Schedule, shall continue to be applicable to that person in respect of such livestock or produce, as the case may be, until the year of assessment during which he disposes of the last of such livestock or produce, notwithstanding the fact that such operations have been discontinued."

11. Section 27 of the principal Act is hereby amended—

- 60 (a) by the substitution in subparagraphs (i) and (ii) of paragraph (c) of subsection (2) for the expression "1979" of the expression "1982";
- (b) by the substitution in paragraph (e) of subsection (2) for the expression "1979" of the expression "1982";

Amendment of section 27 of Act 58 of 1962, as amended by section 17 of Act 113 of 1977.

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

- (c) deur in die voorbehoudsbepaling by subartikel (6) die uitdrukking „1980” deur die uitdrukking „1983” te vervang; en
- (d) deur in paragraaf (c) van subartikel (7) die uitdrukking „1979”, oral waar dit voorkom, deur die uitdrukking „1982” te vervang.

Invoeging van
artikel 37B in
Wet 58 van 1962.

12. (1) Die volgende artikel word hierby in die Hoofwet na artikel 37A ingevoeg:

37B. Vir die doeleindes van die vasstelling vir enige jaar van aanslag van die belasbare inkomste van 'n belastingpligtige (behalwe 'n maatskappy) wat gewoonlik in die hawe of nedersetting van Walvisbaai woonagtig is of daarin besigheid dryf, waar 'n reël voorsien in hierdie Wet aangaande die insluiting van 'n bedrag in die inkomste van bedoelde belastingpligtige vir bedoelde jaar of aangaande die aftrekking of verrekening van 'n bedrag van of teen sy inkomste vir bedoelde jaar, in werklikheid vereis dat rekening gehou word met enigiets wat gedoen is of gebeur het in of met betrekking tot 'n vorige jaar van aanslag, word enigiets wat inderdaad gedoen is of inderdaad gebeur het in of met betrekking tot 'n jaar van aanslag ten opsigte waarvan die belastingpligtige vir belastingdoeleindes ingevolge die Inkomstebelastingordonnansie, 1974 (Ordonnansie No. 5 van 1974) van die gebied belasbaar was (met inbegrip van 'n jaar van aanslag waarin die eerste dag van September 1977 val), vir doeleindes van die toepassing van bedoelde reël, maar onderworpe aan sodanige regstelling as wat die Sekretaris maak, in aanmerking geneem.”.

(2) Die wysiging deur subartikel (1) aangebring, word vir die doeleindes van aanslae ingevolge die Hoofwet geag in werking te getree het vanaf die begin van die jaar van aanslag wat op 28 Februarie 1978 geëindig het.

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
en artikel 21 van
Wet 113 van 1977.

13. (1) Artikel 56 van die Hoofwet word hierby gewysig deur in subartikel (2) (b) die woord „tienduiseend” deur die woord „vyftienduiseend” te vervang.

(2) Die wysiging deur subartikel (1) aangebring, word geag van toepassing te wees ten opsigte van geskenke wat op of na 1 April 1978 gemaak is.

Wysiging van
artikel 103 van
Wet 58 van 1962.

14. (1) Artikel 103 van die Hoofwet word hierby gewysig—

(a) deur subartikels (1) en (2) deur die volgende subartikels te vervang:

„(1) **[Waar]** Wanneer die Sekretaris oortuig is dat 'n transaksie, handeling of skema (ongegag of dit voor of na die inwerkingtreding van hierdie Wet aangegaan, verrig of uitgevoer is, en met inbegrip van 'n transaksie, handeling of skema waarby die vervreemding van eiendom betrokke is)—

(a) aangegaan, verrig of uitgevoer is wat die uitwerking het om aanspreeklikheid vir die betaling van 'n belasting of heffing opgelê deur hierdie Wet of 'n vorige Inkomstebelastingwet **[op inkomste]** te vermy of uit te stel **[(met inbegrip van so 'n belasting of heffing deur 'n vorige Wet opgelê)]** of om die bedrag daarvan te verminder; en **[wat na die oordeel van die Sekretaris,]**

(b) met inagneming van die omstandighede waaronder die transaksie, handeling of skema aangegaan, verrig of uitgevoer was—

INCOME TAX ACT, 1978.

Act No. 101, 1978

- (c) by the substitution in the proviso to subsection (6) for the expression "1980" of the expression "1983"; and
 (d) by the substitution in paragraph (c) of subsection (7) for the expression "1979", wherever it occurs, of the expression "1982".

12. (1) The following section is hereby inserted in the principal Act after section 37A:

Insertion of section 37B in Act 58 of 1962.

10 "Determination of taxable income derived by persons (other than companies) in port or settlement of Walvis Bay. 15 37B. For the purposes of the determination of the taxable income of any taxpayer (other than a company) ordinarily resident or carrying on business in the port or settlement of Walvis Bay for any year of assessment, where any rule provided in this Act as to the inclusion in the income of such taxpayer for such year or as to the deduction or set-off of any amount from or against his income for such year, in effect requires that regard shall be had to anything that has been done or has occurred in or in relation to a previous year of assessment, anything that has in fact been done or has in fact occurred in or in relation to a year of assessment in respect of which the taxpayer was assessable for taxation purposes under the Income Tax Ordinance, 1974 (Ordinance No. 5 of 1974), of the territory (including a year of assessment in which falls the first day of September 1977), shall for the purposes of applying such rule, but subject to such adjustments as the Secretary may make, be taken into account."

20 (2) The amendment effected by subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect from the commencement of the year of assessment which ended on 28 February 1978.

13. (1) Section 56 of the principal Act is hereby amended by the substitution in subsection (2) (b) for the word "ten" of the word "fifteen".

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 and section 21 of Act 113 of 1977.

35 (2) The amendment effected by subsection (1) shall be deemed to apply in respect of donations made on or after 1 April 1978.

14. (1) Section 103 of the principal Act is hereby amended—

Amendment of section 103 of Act 58 of 1962.

(a) by the substitution for subsections (1) and (2) of the following subsections:

40 "(1) **Where** Whenever the Secretary is satisfied that any transaction, operation or scheme (whether entered into or carried out before or after the commencement of this Act, and including a transaction, operation or scheme involving the alienation of property)—

45 (a) has been entered into or carried out which has the effect of avoiding or postponing liability for the payment of any tax, duty or levy **on income (including any such tax, duty or levy imposed by a previous Act)** imposed by this Act or any previous Income Tax Act, or of reducing the amount thereof; and **which in the opinion of the Secretary,**

50 (b) having regard to the circumstances under which the transaction, operation or scheme was entered into or carried out—

55

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

- (i) aangegaan, verrig of uitgevoer was 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 5
- (ii) regte of verpligtings geskep het wat nie normaalweg tussen persone wat by 'n transaksie, handeling of skema van die aard van die onderhawige transaksie, handeling of skema, 10 die uiterste voorwaardes beding, geskep sou word nie, en

[die Sekretaris van oordeel is dat die vermyding of die uitstel of die vermindering van die bedrag van sodanige belastingpligtigheid die enigste of 15 een van die hoofogmerke van die transaksie, handeling of skema was,]

- (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 20 deur hierdie Wet of 'n vorige Inkomstebelastingwet of 'n ander wet deur die Sekretaris uitgevoer) of die vermindering van die bedrag van bedoelde belastingpligtigheid, 25

stel die Sekretaris die belastingpligtigheid ten opsigte van enige belasting of heffing deur hierdie Wet opgelê,

[op inkomste] asook die bedrag daarvan, vas asof die transaksie, handeling of skema nie aangegaan, verrig of uitgevoer is nie, of op so 'n wyse vas as wat hy in die 30 omstandighede van die geval gepas ag vir die voorkoming of beperking van sodanige vermyding, uitstel of vermindering.

(2) Wanneer die Sekretaris oortuig is dat 'n ooreenkoms rakende 'n maatskappy of 'n verandering in die 35 aandeelbesit in 'n maatskappy, as 'n direkte of indirekte gevolg waarvan inkomste gedurende 'n jaar van aanslag ontvang is deur of toegeval het aan daardie maatskappy, te eniger tyd voor of na die inwerkingtreding van die Inkomstebelastingwet, 1946, deur 'n persoon aangegaan 40 of teweeggebring is uitsluitlik of hoofsaaklik met die oogmerk om 'n vasgestelde verlies of 'n balans van vasgestelde verlies wat die maatskappy gely het, aan te wend ten einde aanspreeklikheid aan die kant van daardie maatskappy of 'n ander persoon vir die betaling 45 van 'n belasting of heffing op inkomste te vermy of die bedrag daarvan te verminder, word die in vergelyking bring van so 'n vasgestelde verlies of balans van vasgestelde verlies teen bedoelde inkomste van die hand 50 gewys.''; en

- (b) deur subartikel (4) deur die volgende subartikel te vervang:

„(4) 'n Beslissing van die Sekretaris ingevolge subartikel (1), (2) of (3) is aan beswaar en appél 55 onderhewig, en wanneer by verrigtings wat daarop betrekking het, bewys word dat die onderhawige transaksie, handeling, skema, ooreenkoms of verandering in aandeelbesit, die vermyding of die uitstel van aanspreeklikheid vir betaling van enige belasting of heffing **[op inkomste]** wat opgelê is deur hierdie 60 Wet of 'n vorige Inkomstebelastingwet of 'n ander wet deur die Sekretaris uitgevoer, of die vermindering van die bedrag daarvan, ten gevolg sou hê, word vermoed, totdat die teendeel bewys word—

- (a) in die geval van so 'n transaksie, handeling of 65 skema, dat **[die enigste oogmerk of een van die hoofogmerke daarvan]** dit uitsluitlik of hoofsaaklik aangegaan, verrig of uitgevoer is vir die doeleindes van die vermyding of die uitstel van of

INCOME TAX ACT, 1978.

Act No. 101, 1978

- 5 (i) was entered into or carried out 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
- 10 (ii) has created rights or obligations which would not normally be created between persons dealing at arm's length under a transaction, operation or scheme of the nature of the transaction, operation or scheme in question; and

15 **[the Secretary is of the opinion that the avoidance or the postponement of such liability, or the reduction of the amount of such liability was the sole or one of the main purposes of the transaction, operation or scheme,]**

- 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 Secretary) or the reduction of the amount of such liability,

25 the Secretary shall determine the liability for any tax, duty or levy **[on income]** imposed by this Act, and the amount thereof, as if the transaction, operation or scheme had not been entered into or carried out, or in such manner as in the circumstances of the case he deems appropriate for the prevention or diminution of such avoidance, postponement or reduction.

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35 (2) Whenever the Secretary is satisfied that any agreement affecting any company or any change in the shareholding in any company, as a direct or indirect result of which income has been received by or has accrued to that company during any year of assessment, has at any time before or after the commencement of the Income Tax Act, 1946, been entered into or effected by any person solely or mainly for the purpose of utilizing any assessed loss or any balance of assessed loss incurred by the company, in order to avoid liability on the part of that company or any other person for the payment of any tax, duty or levy on income, or to reduce the amount thereof, the set-off of any such assessed loss or balance of assessed loss against any such income shall be disallowed.”; and

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

50 “(4) Any decision of the Secretary under subsection (1), (2) or (3) shall be subject to objection and appeal, and whenever in proceedings relating thereto it is proved that the transaction, operation, scheme, agreement or change in shareholding in question would result in the avoidance or the postponement of liability for payment of any tax, duty or levy **[on income]** imposed by this Act or any previous Income Tax Act or any other law administered by the Secretary, or in the reduction of the amount thereof, it shall be presumed, until the contrary is proved—

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- 60 (a) in the case of any such transaction, operation or scheme, that **[its sole or one of its main]** it was entered into or carried out solely or mainly for the purposes **[was]** of the avoidance or the postpone-

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

die vermindering van die bedrag van sodanige belastingpligtigheid **[was]**; of

- (b) in die geval van so 'n ooreenkoms of verandering in aandeelbesit, dat dit aangegaan of teweeggebring is uitsluitlik of hoofsaaklik met die oogmerk om die onderhawige vasgestelde verlies of balans van vasgestelde verlies aan te wend ten einde bedoelde aanspreeklikheid te vermy of uit te stel of die bedrag daarvan te verminder."

Wysiging van
artikel 108 van
Wet 58 van 1962.

15. (1) Artikel 108 van die Hoofwet word hierby gewysig—
(a) deur subartikels (1) en (2) deur die volgende subartikels te vervang:

„(1) Die Staatspresident kan 'n ooreenkoms met die regering van 'n ander land of gebied aangaan, waarvolgens reëlins met daardie regering getref word wat ten doel het om die heffing, ingevolge die wette van die Republiek en van daardie ander land of gebied van **[inkomstebelasting]** belasting ten opsigte van dieselfde inkomste, winste of voordele, of belasting gehef ten opsigte van dieselfde geskenk, te voorkom, te verminder of op te hef of om wederkerige hulp te verleen by die administrasie van en die invordering van belasting kragtens **[die inkomstebelastingwette]** genoemde wette van die Republiek en van die ander land of gebied.

(2) Die reëlins deur so 'n ooreenkoms getref, word so spoedig doenlik na die sluiting van die ooreenkoms deur die Staatspresident by proklamasie in die *Staatskoerant* aangekondig, en daarna is die daarby aangekondigde reëlins totdat die proklamasie deur die Staatspresident herroep word, vir sover hulle op ontheffing, vrystelling of verligting ten opsigte van **[inkomstebelasting]** bedoelde belasting in die Republiek betrekking het, van krag asof hulle by hierdie Wet verorden was, maar slegs indien en terwyl sodanige reëlins, vir sover hulle op ontheffing, vrystelling of verligting ten opsigte van **[inkomstebelasting]** bedoelde belasting gehef of hefbaar in daardie ander land of gebied betrekking het, die krag van wet in daardie land of gebied het."

- (b) deur subartikel (5) deur die volgende subartikel te 40 vervang:

„(5) Die by wet opgelegde plig om geheimhouding te bewaar met betrekking tot **[inkomstebelasting]** bedoelde belasting, belet nie die blootlegging aan 'n gemagtigde amptenaar van die land of gebied vermeld in 'n ooreenkomstig subartikel (2) uitgevaardigde proklamasie, van die feite wat aan hom bekend moet wees ten einde te kan vasstel of ontheffing, vrystelling of verligting ooreenkomstig die in bedoelde proklamasie aangekondigde reëlins verleen behoort te word of wat 50 blootgelê moet word ten einde ooreenkomstig bedoelde reëlins hulp te verleen of te ontvang nie."

- (2) Die wysigings deur subartikel (1) aangebring, word geag op 1 April 1978 in werking te getree het.

Wysiging van
paragraaf 3 van
Eerste Bylae by
Wet 58 van 1962,
soos gewysig deur
artikel 16 van
Wet 72 van 1963.

16. Paragraaf 3 van die Eerste Bylae by die Hoofwet word 55 hierby gewysig deur subparagrafe (2) en (3) deur die volgende subparagrafe te vervang:

„(2) By die toepassing van subparagraaf (1) word die waarde van lewende hawe of produkte wat aan die end van 'n jaar van aanslag besit word en nie van die hand gesit is nie deur iemand wat gedurende daardie jaar boerdery gestaak het, by sy inkomste vir daardie jaar ingereken en vir alle daaropvolgende jare van aanslag solank bedoelde lewende hawe of produkte, of 'n gedeelte daarvan, aldus besit word en nie van die hand gesit is nie.

„(3) Lewende hawe wat die onderwerp is van 'n skaappag- of dergelike ooreenkoms betreffende lewende hawe, en

INCOME TAX ACT, 1978.

Act No. 101, 1978

- ment of such liability or the reduction of the amount of such liability; or
- (b) in the case of any such agreement or change in shareholding, that it has been entered into or effected solely or mainly for the purpose of utilizing the assessed loss or balance of assessed loss in question in order to avoid or postpone such liability or to reduce the amount thereof.”.

15. (1) Section 108 of the principal Act is hereby amended—
- (a) by the substitution for subsections (1) and (2) of the following subsections:

Amendment of section 108 of Act 58 of 1962.

“(1) The State President may enter into an agreement with the government of any other country or territory, whereby arrangements are made with such government with a view to the prevention, mitigation or discontinuance of the levying, under the laws of the Republic and of such other country or territory, of **[income]** tax in respect of the same income, profits or gains, or tax imposed in respect of the same donation, or to the rendering of reciprocal assistance in the administration of and the collection of taxes under the **[income tax]** said laws of the Republic and of such other country or territory.

(2) As soon as may be after the conclusion of any such agreement the arrangements thereby made shall be notified by proclamation by the State President in the *Gazette*, whereupon until such proclamation is revoked by the State President, the arrangements notified therein shall, so far as they relate to immunity, exemption or relief in respect of **[income]** such tax in the Republic, have effect as if enacted in this Act, but only if and for so long as such arrangements, in so far as they relate to immunity, exemption or relief in respect of **[income]** such tax levied or leviable in such other country or territory, have the effect of law in such country or territory.”; and

- (b) by the substitution for subsection (5) of the following subsection:

“(5) The duty imposed by any law to preserve secrecy with regard to **[income]** such tax shall not prevent the disclosure to any authorized officer of the country or territory mentioned in any proclamation issued in terms of subsection (2), of the facts, knowledge of which is necessary to enable it to be determined whether immunity, exemption or relief ought to be given or which it is necessary to disclose in order to render or receive assistance in accordance with the arrangements notified in such proclamation.”.

(2) The amendments effected by subsection (1) shall be deemed to have come into operation on 1 April 1978.

16. Paragraph 3 of the First Schedule to the principal Act is hereby amended by the substitution for subparagraphs (2) and (3) of the following subparagraphs:

Amendment of paragraph 3 of First Schedule to Act 58 of 1962, as amended by section 16 of Act 72 of 1963.

- “(2) For the purposes of subparagraph (1), the value of livestock or produce held and not disposed of at the end of any year of assessment by any person who discontinued farming operations during such year, shall be included in his income for such year and for all subsequent years of assessment so long as such livestock or produce, or any portion thereof, is so held and not disposed of.

“(3) Any livestock which is the subject of any ‘sheep lease’ or similar agreement concerning livestock, and any

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

produkte wat die onderwerp is van 'n soortgelyke ooreenkoms, word geag besit te word en nie van die hand gesit te wees nie deur die persoon wat die pag of ooreenkoms toegestaan het."

Wysiging van paragraaf 13 van Eerste Bylae by Wet 58 van 1962, soos vervang deur artikel 21 van Wet 90 van 1972.

17. (1) Paragraaf 13 van die Eerste Bylae by die Hoofwet word hierby gewysig deur item (a) (i) van subparagraaf (1) deur die volgende item te vervang:

„(i) gedurende 'n jaar van aanslag **[(behalwe 'n jaar van aanslag ten opsigte waarvan die normale belasting wat in die geval van daardie boer hefbaar is, ingevolge paragraaf 19 vasgestel moet word)]** weens droogte, **[of]** veesiekte of beskadiging van weiding deur brand of plaag lewende hawe verkoop het; en”.

(2) Die wysiging deur subartikel (1) aangebring, word vir die doeleindes van aanslae ingevolge die Hoofwet geag in werking te getree het vanaf die begin van die jaar van aanslag wat op 28 Februarie 1978 geëindig het.

Wysiging van paragraaf 6 van Vyfde Bylae by Wet 58 van 1962, soos ingevoeg deur artikel 26 van Wet 52 van 1970 en gewysig deur artikel 26 van Wet 90 van 1972 en artikel 60 van Wet 85 van 1974.

18. (1) Paragraaf 6 van die Vyfde Bylae by die Hoofwet word hierby gewysig deur die volgende subparagraaf by te voeg, terwyl die bestaande paragraaf subparagraaf (1) word:

„(2) Enige gelde ingevolge die bepalings van subparagraaf (1) terugbetaal, word geag by wet bewillig te wees.”

(2) Die wysiging deur subartikel (1) aangebring, word geag op 1 Maart 1965 in werking te getree het.

Wysiging van paragraaf 8 van Sesde Bylae by Wet 58 van 1962, soos vervang deur artikel 33 van Wet 65 van 1973.

19. Paragraaf 8 van die Sesde Bylae by die Hoofwet word hierby gewysig deur in subparagraaf (6) die woord „ses” deur die woord „twaalf” te vervang.

Wysiging van artikel 10 van Wet 113 van 1977.

20. Artikel 10 van die Inkomstebelastingwet, 1977, word hierby gewysig deur die volgende subartikel by te voeg:

„(3) Die wysiging aangebring deur paragraaf (i) van subartikel (1) word vir die doeleindes van aanslae ingevolge die Hoofwet geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 1 Januarie 1979 eindig.”

Inwerkingtreding van sekere wysigings.

21. 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 en belasting op onuitgekeerde winste ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van die jare van aanslag wat op of na 1 Januarie 1979 eindig.

Kort titel.

22. Hierdie Wet heet die Inkomstebelastingwet, 1978.

INCOME TAX ACT, 1978.

Act No. 101, 1978

produce which is the subject of a similar agreement, shall be deemed to be held and not disposed of by the grantor of such lease or agreement."

17. (1) Paragraph 13 of the First Schedule to the principal Act 5 is hereby amended by the substitution for item (a) (i) of subparagraph (1) of the following item:

10 "(i) has in any year of assessment [(other than a year of assessment in respect of which the normal tax chargeable in the case of such farmer is required to be determined under paragraph 19)] sold livestock on account of drought, [or] stock disease or damage to grazing by fire or plague; and"

(2) The amendment effected by subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to 15 have taken effect as from the commencement of the year of assessment which ended on 28 February 1978.

18. (1) Paragraph 6 of the Fifth Schedule to the principal Act is hereby amended by the addition of the following subparagraph, the existing paragraph becoming subparagraph (1):

20 "(2) Any moneys repaid under the provisions of subparagraph (1) shall be deemed to have been appropriated by law."

(2) The amendment effected by subsection (1) shall be deemed to have taken effect on 1 March 1965.

25 19. Paragraph 8 of the Sixth Schedule to the principal Act is hereby amended by the substitution in subparagraph (6) for the word "six" of the word "twelve".

20. Section 10 of the Income Tax Act, 1977, is hereby amended by the addition of the following subsection:

30 "(3) The amendment effected by paragraph (i) of subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ending on or after 1 January 1979."

35 21. 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 and undistributed profits tax under the principal Act, be deemed to have taken effect as from the 40 commencement of years of assessment ending on or after 1 January 1979.

22. This Act shall be called the Income Tax Act, 1978.

Short title.

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

Bylae

SKALE VAN NORMALE BELASTING BETAALBAAR DEUR ANDER PERSONE AS MAATSKAPPE TEN OPSIGTE VAN DIE JARE VAN AANSLAG EINDIGENDE OP 28 FEBRUARIE 1979 EN 30 JUNIE 1979, EN DEUR MAATSKAPPE TEN OPSIGTE VAN JARE VAN AANSLAG WAT EINDIG GEDURENDE DIE TYDPERK VAN TWAALF MAANDE EINDIGENDE OP 31 MAART 1979.

(Artikel 1 van hierdie Wet)

1. Die skale van normale belasting bedoel in artikel 1 van hierdie Wet is soos volg:—

(a) ten opsigte van die belasbare inkomste van 'n ander persoon as 'n maatskappy, 'n bedrag van belasting wat ooreenkomstig die tabelle hieronder op die belasbare bedrag van bedoelde persoon bereken word:

Tabelle

Belasbare Bedrag	Skale van belasting ten opsigte van getroude persone
Waar die belasbare bedrag—	
R1 000 nie te bowe gaan nie	9 persent van elke R1 van die belasbare bedrag;
R 1 000 te bowe gaan, maar nie R 2 000 nie	R90 plus 10 persent van die bedrag waarmee die belasbare bedrag R1 000 oorskry;
R 2 000 " " " R 3 000 "	R190 plus 10 persent van die bedrag waarmee die belasbare bedrag R2 000 oorskry;
R 3 000 " " " R 4 000 "	R290 plus 11 persent van die bedrag waarmee die belasbare bedrag R3 000 oorskry;
R 4 000 " " " R 5 000 "	R400 plus 12 persent van die bedrag waarmee die belasbare bedrag R4 000 oorskry;
R 5 000 " " " R 6 000 "	R520 plus 14 persent van die bedrag waarmee die belasbare bedrag R5 000 oorskry;
R 6 000 " " " R 7 000 "	R660 plus 16 persent van die bedrag waarmee die belasbare bedrag R6 000 oorskry;
R 7 000 " " " R 8 000 "	R820 plus 18 persent van die bedrag waarmee die belasbare bedrag R7 000 oorskry;
R 8 000 " " " R 9 000 "	R1 000 plus 20 persent van die bedrag waarmee die belasbare bedrag R8 000 oorskry;
R 9 000 " " " R10 000 "	R1 200 plus 22 persent van die bedrag waarmee die belasbare bedrag R9 000 oorskry;
R10 000 " " " R11 000 "	R1 420 plus 24 persent van die bedrag waarmee die belasbare bedrag R10 000 oorskry;
R11 000 " " " R12 000 "	R1 660 plus 26 persent van die bedrag waarmee die belasbare bedrag R11 000 oorskry;
R12 000 " " " R13 000 "	R1 920 plus 28 persent van die bedrag waarmee die belasbare bedrag R12 000 oorskry;
R13 000 " " " R14 000 "	R2 200 plus 30 persent van die bedrag waarmee die belasbare bedrag R13 000 oorskry;
R14 000 " " " R15 000 "	R2 500 plus 32 persent van die bedrag waarmee die belasbare bedrag R14 000 oorskry;
R15 000 " " " R16 000 "	R2 820 plus 34 persent van die bedrag waarmee die belasbare bedrag R15 000 oorskry;

INCOME TAX ACT, 1978.

Act No. 101, 1978

Schedule

RATES OF NORMAL TAX PAYABLE BY PERSONS OTHER THAN COMPANIES IN RESPECT OF THE YEARS OF ASSESSMENT ENDING 28 FEBRUARY 1979 AND 30 JUNE 1979, AND BY COMPANIES IN RESPECT OF YEARS OF ASSESSMENT ENDING DURING THE PERIOD OF TWELVE MONTHS ENDING 31 MARCH 1979.

(Section 1 of this Act)

1. The rates of normal tax referred to in section 1 of this Act are as follows:—

(a) in respect of the taxable income of any person other than a company, an amount of tax calculated in accordance with the tables below on the taxable amount of such person:

Tables

Taxable Amount	Rates of tax in respect of married persons
Where the taxable amount—	
does not exceed R1 000	9 per cent of each R1 of the taxable amount;
exceeds R 1 000 but does not exceed R 2 000	R90 plus 10 per cent of the amount by which the taxable amount exceeds R1 000;
„ R 2 000 „ „ „ „ R 3 000	R190 plus 10 per cent of the amount by which the taxable amount exceeds R2 000;
„ R 3 000 „ „ „ „ R 4 000	R290 plus 11 per cent of the amount by which the taxable amount exceeds R3 000;
„ R 4 000 „ „ „ „ R 5 000	R400 plus 12 per cent of the amount by which the taxable amount exceeds R4 000;
„ R 5 000 „ „ „ „ R 6 000	R520 plus 14 per cent of the amount by which the taxable amount exceeds R5 000;
„ R 6 000 „ „ „ „ R 7 000	R660 plus 16 per cent of the amount by which the taxable amount exceeds R6 000;
„ R 7 000 „ „ „ „ R 8 000	R820 plus 18 per cent of the amount by which the taxable amount exceeds R7 000;
„ R 8 000 „ „ „ „ R 9 000	R1 000 plus 20 per cent of the amount by which the taxable amount exceeds R8 000;
„ R 9 000 „ „ „ „ R10 000	R1 200 plus 22 per cent of the amount by which the taxable amount exceeds R9 000;
„ R10 000 „ „ „ „ R11 000	R1 420 plus 24 per cent of the amount by which the taxable amount exceeds R10 000;
„ R11 000 „ „ „ „ R12 000	R1 660 plus 26 per cent of the amount by which the taxable amount exceeds R11 000;
„ R12 000 „ „ „ „ R13 000	R1 920 plus 28 per cent of the amount by which the taxable amount exceeds R12 000;
„ R13 000 „ „ „ „ R14 000	R2 200 plus 30 per cent of the amount by which the taxable amount exceeds R13 000;
„ R14 000 „ „ „ „ R15 000	R2 500 plus 32 per cent of the amount by which the taxable amount exceeds R14 000;
„ R15 000 „ „ „ „ R16 000	R2 820 plus 34 per cent of the amount by which the taxable amount exceeds R15 000;

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

Belasbare Bedrag				Skale van belasting ten opsigte van getroude persone
Waar die belasbare bedrag—				
R16 000 te bowe gaan, maar nie R17 000 nie				R3 160 plus 36 persent van die bedrag waarmee die belasbare bedrag R16 000 oorskry;
R17 000	„	„	R18 000	R3 520 plus 38 persent van die bedrag waarmee die belasbare bedrag R17 000 oorskry;
R18 000	„	„	R19 000	R3 900 plus 40 persent van die bedrag waarmee die belasbare bedrag R18 000 oorskry;
R19 000	„	„	R20 000	R4 300 plus 42 persent van die bedrag waarmee die belasbare bedrag R19 000 oorskry;
R20 000	„	„	R21 000	R4 720 plus 44 persent van die bedrag waarmee die belasbare bedrag R20 000 oorskry;
R21 000	„	„	R22 000	R5 160 plus 46 persent van die bedrag waarmee die belasbare bedrag R21 000 oorskry;
R22 000	„	„	R23 000	R5 620 plus 48 persent van die bedrag waarmee die belasbare bedrag R22 000 oorskry;
R23 000	„	„	R24 000	R6 100 plus 50 persent van die bedrag waarmee die belasbare bedrag R23 000 oorskry;
R24 000	„	„	R25 000	R6 600 plus 52 persent van die bedrag waarmee die belasbare bedrag R24 000 oorskry;
R25 000	„	„	R26 000	R7 120 plus 54 persent van die bedrag waarmee die belasbare bedrag R25 000 oorskry;
R26 000	„	„	R27 000	R7 660 plus 56 persent van die bedrag waarmee die belasbare bedrag R26 000 oorskry;
R27 000	„	„	R28 000	R8 220 plus 58 persent van die bedrag waarmee die belasbare bedrag R27 000 oorskry;
R28 000 te bowe gaan				R8 800 plus 60 persent van die bedrag waarmee die belasbare bedrag R28 000 oorskry;

INCOME TAX ACT, 1978.

Act No. 101, 1978

Taxable Amount	Rates of tax in respect of married persons
Where the taxable amount— exceeds R16 000 but does not exceed R17 000	R3 160 plus 36 per cent of the amount by which the taxable amount exceeds R16 000;
" R17 000 " " " " R18 000	R3 520 plus 38 per cent of the amount by which the taxable amount exceeds R17 000;
" R18 000 " " " " R19 000	R3 900 plus 40 per cent of the amount by which the taxable amount exceeds R18 000;
" R19 000 " " " " R20 000	R4 300 plus 42 per cent of the amount by which the taxable amount exceeds R19 000;
" R20 000 " " " " R21 000	R4 720 plus 44 per cent of the amount by which the taxable amount exceeds R20 000;
" R21 000 " " " " R22 000	R5 160 plus 46 per cent of the amount by which the taxable amount exceeds R21 000;
" R22 000 " " " " R23 000	R5 620 plus 48 per cent of the amount by which the taxable amount exceeds R22 000;
" R23 000 " " " " R24 000	R6 100 plus 50 per cent of the amount by which the taxable amount exceeds R23 000;
" R24 000 " " " " R25 000	R6 600 plus 52 per cent of the amount by which the taxable amount exceeds R24 000;
" R25 000 " " " " R26 000	R7 120 plus 54 per cent of the amount by which the taxable amount exceeds R25 000;
" R26 000 " " " " R27 000	R7 660 plus 56 per cent of the amount by which the taxable amount exceeds R26 000;
" R27 000 " " " " R28 000	R8 220 plus 58 per cent of the amount by which the taxable amount exceeds R27 000;
" R28 000	R8 800 plus 60 per cent of the amount by which the taxable amount exceeds R28 000;

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

Belasbare Bedrag	Skale van belasting ten opsigte van persone wat nie getroude persone is nie
Waar die belasbare bedrag—	
R 1 000 nie te bowe gaan nie	12 persent van elke R1 van die belasbare bedrag;
R 1 000 te bowe gaan, maar nie R 2 000 nie	R120 plus 12 persent van die bedrag waarmee die belasbare bedrag R1 000 oorskry;
R 2 000 " " " R 3 000 "	R240 plus 13 persent van die bedrag waarmee die belasbare bedrag R2 000 oorskry;
R 3 000 " " " R 4 000 "	R370 plus 14 persent van die bedrag waarmee die belasbare bedrag R3 000 oorskry;
R 4 000 " " " R 5 000 "	R510 plus 17 persent van die bedrag waarmee die belasbare bedrag R4 000 oorskry;
R 5 000 " " " R 6 000 "	R680 plus 20 persent van die bedrag waarmee die belasbare bedrag R5 000 oorskry;
R 6 000 " " " R 7 000 "	R880 plus 23 persent van die bedrag waarmee die belasbare bedrag R6 000 oorskry;
R 7 000 " " " R 8 000 "	R1 110 plus 26 persent van die bedrag waarmee die belasbare bedrag R7 000 oorskry;
R 8 000 " " " R 9 000 "	R1 370 plus 28 persent van die bedrag waarmee die belasbare bedrag R8 000 oorskry;
R 9 000 " " " R10 000 "	R1 650 plus 30 persent van die bedrag waarmee die belasbare bedrag R9 000 oorskry;
R10 000 " " " R11 000 "	R1 950 plus 32 persent van die bedrag waarmee die belasbare bedrag R10 000 oorskry;
R11 000 " " " R12 000 "	R2 270 plus 34 persent van die bedrag waarmee die belasbare bedrag R11 000 oorskry;
R12 000 " " " R13 000 "	R2 610 plus 36 persent van die bedrag waarmee die belasbare bedrag R12 000 oorskry;
R13 000 " " " R14 000 "	R2 970 plus 38 persent van die bedrag waarmee die belasbare bedrag R13 000 oorskry;
R14 000 " " " R15 000 "	R3 350 plus 40 persent van die bedrag waarmee die belasbare bedrag R14 000 oorskry;
R15 000 " " " R16 000 "	R3 750 plus 42 persent van die bedrag waarmee die belasbare bedrag R15 000 oorskry;
R16 000 " " " R17 000 "	R4 170 plus 44 persent van die bedrag waarmee die belasbare bedrag R16 000 oorskry;
R17 000 " " " R18 000 "	R4 610 plus 46 persent van die bedrag waarmee die belasbare bedrag R17 000 oorskry;
R18 000 " " " R19 000 "	R5 070 plus 48 persent van die bedrag waarmee die belasbare bedrag R18 000 oorskry;
R19 000 " " " R20 000 "	R5 550 plus 50 persent van die bedrag waarmee die belasbare bedrag R19 000 oorskry;

INCOME TAX ACT, 1978.

Act No. 101, 1978

Taxable Amount	Rates of tax in respect of persons who are not married persons
Where the taxable amount—	
does not exceed R1 000	12 per cent of each R1 of the taxable amount;
exceeds R 1 000 but does not exceed R 2 000	R120 plus 12 per cent of the amount by which the amount exceeds R1 000;
" R 2 000 " " " " R 3 000	R240 plus 13 per cent of the amount by which the amount exceeds R2 000;
" R 3 000 " " " " R 4 000	R370 plus 14 per cent of the amount by which the amount exceeds R3 000;
" R 4 000 " " " " R 5 000	R510 plus 17 per cent of the amount by which the amount exceeds R4 000;
" R 5 000 " " " " R 6 000	R680 plus 20 per cent of the amount by which the amount exceeds R5 000;
" R 6 000 " " " " R 7 000	R880 plus 23 per cent of the amount by which the amount exceeds R6 000;
" R 7 000 " " " " R 8 000	R1 110 plus 26 per cent of the amount by which the amount exceeds R7 000;
" R 8 000 " " " " R 9 000	R1 370 plus 28 per cent of the amount by which the amount exceeds R8 000;
" R 9 000 " " " " R10 000	R1 650 plus 30 per cent of the amount by which the amount exceeds R9 000;
" R10 000 " " " " R11 000	R1 950 plus 32 per cent of the amount by which the amount exceeds R10 000;
" R11 000 " " " " R12 000	R2 270 plus 34 per cent of the amount by which the amount exceeds R11 000;
" R12 000 " " " " R13 000	R2 610 plus 36 per cent of the amount by which the amount exceeds R12 000;
" R13 000 " " " " R14 000	R2 970 plus 38 per cent of the amount by which the amount exceeds R13 000;
" R14 000 " " " " R15 000	R3 350 plus 40 per cent of the amount by which the amount exceeds R14 000;
" R15 000 " " " " R16 000	R3 750 plus 42 per cent of the amount by which the amount exceeds R15 000;
" R16 000 " " " " R17 000	R4 170 plus 44 per cent of the amount by which the amount exceeds R16 000;
" R17 000 " " " " R18 000	R4 610 plus 46 per cent of the amount by which the amount exceeds R17 000;
" R18 000 " " " " R19 000	R5 070 plus 48 per cent of the amount by which the amount exceeds R18 000;
" R19 000 " " " " R20 000	R5 550 plus 50 per cent of the amount by which the amount exceeds R19 000;

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

Belasbare Bedrag	Skale van belasting ten opsigte van persone wat nie getroude persone is nie
Waar die belasbare bedrag— R20 000 te bowe gaan, maar nie R21 000 nie	R6 050 plus 52 persent van die bedrag waarmee die belasbare bedrag R20 000 oorskry;
R21 000 " " " " R22 000 "	R6 570 plus 54 persent van die bedrag waarmee die belasbare bedrag R21 000 oorskry;
R22 000 " " " " R23 000 "	R7 110 plus 56 persent van die bedrag waarmee die belasbare bedrag R22 000 oorskry;
R23 000 " " " " R24 000 "	R7 670 plus 58 persent van die bedrag waarmee die belasbare bedrag R23 000 oorskry;
R24 000 te bowe gaan	R8 250 plus 60 persent van die bedrag waarmee die belasbare bedrag R24 000 oorskry;

- (b) op elke rand van die belasbare inkomste van 'n maatskappy (met uitsondering van belasbare inkomste uit mynwerkzaamhede verkry en belasbare inkomste in subparagraaf (e) bedoel), veertig sent: Met dien verstande dat daar by die bedrag van belasting bereken volgens die voorgaande bepalinge van hierdie subparagraaf 'n toeslag gevoeg word gelyk aan vyf persent van bedoelde bedrag;
- (c) op elke rand van die belasbare inkomste wat deur 'n maatskappy uit die myn van goud op 'n ander wyse as op 'n na-1966-goudmyn verkry word (maar met uitsluiting van soveel van die belasbare inkomste as wat volgens vasstelling van die Sekretaris 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), 'n persentasie vasgestel ooreenkomstig die formule:

$$y = 60 - \frac{360}{x},$$

in welke formule (asook in die formules in die eerste en tweede voorbehoudsbepalinge hierby uiteengesit) y die bedoelde persentasie voorstel en x die verhouding, as 'n persentasie uitgedruk, waarin die aldus verkreë belasbare inkomste (met genoemde uitsluiting) staan tot die aldus verkreë inkomste (met genoemde uitsluiting): Met dien verstande dat indien die aldus verkreë belasbare inkomste (met genoemde uitsluiting) nie meer as veertigduisend rand bedra nie, die belastingskaal nie hoër is nie as 'n persentasie vasgestel ooreenkomstig die formule:

$$y = 20 \left(1 - \frac{6}{x}\right),$$

en indien bedoelde belasbare inkomste meer as veertigduisend rand bedra, die belastingskaal nie hoër is nie as 'n persentasie vasgestel ooreenkomstig 'n formule wat verkry word deur die getal 20 in die formule $y = 20 \left(1 - \frac{6}{x}\right)$ te verhoog met een vir elke volle bedrag van tweeduisend vyfhonderd rand wat genoemde belasbare inkomste meer as veertigduisend rand bedra: Met dien verstande voorts dat waar 'n sertifikaat deur die Staatsmyningenieur gegee word ten effekte dat voorgeskrewe voorwaardes nagekom is, die belastingskaal ten opsigte van belasbare inkomste uit die myn van goud op 'n ondersteunde goudmyn verkry, nie hoër is nie as 'n persentasie vasgestel ooreenkomstig die formule $y = 68 - \frac{601}{x}$: Met dien verstande voorts dat daar by die bedrag van belasting, bereken volgens die voorgaande bepalinge van hierdie subparagraaf, behalwe die tweede voorbehoudsbepaling, 'n toeslag gevoeg word gelyk aan sewe-en-'n-half persent van bedoelde bedrag;

- (d) op elke rand van die belasbare inkomste wat verkry word deur 'n maatskappy uit die myn van goud op 'n na-1966-goudmyn (maar met uitsluiting van soveel van die belasbare inkomste as wat volgens vasstelling van die Sekretaris 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), 'n persentasie vasgestel ooreenkomstig die formule:

$$y = 60 - \frac{480}{x},$$

in welke formule (asook in die formules in die eerste voorbehoudsbepaling hierby uiteengesit) y die bedoelde persentasie voorstel en x die verhouding, as 'n persentasie uitgedruk, waarin die aldus verkreë belasbare inkomste (met genoemde uitsluiting) staan tot die aldus verkreë inkomste (met genoemde uitsluiting): Met dien verstande dat indien die aldus verkreë belasbare inkomste (met genoemde uitsluiting) nie meer as veertigduisend rand bedra nie, die belastingskaal nie hoër is nie as 'n persentasie vasgestel ooreenkomstig die formule:

$$y = 20 \left(1 - \frac{8}{x}\right),$$

en indien bedoelde belasbare inkomste meer as veertigduisend rand bedra, die belastingskaal nie hoër is nie as 'n persentasie vasgestel ooreenkomstig 'n formule wat verkry word deur die

INCOME TAX ACT, 1978.

Act No. 101, 1978

Taxable Amount	Rates of tax in respect of persons who are not married persons
Where the taxable amount— exceeds R20 000 but does not exceed R21 000	R6 050 plus 52 per cent of the amount by which the taxable amount exceeds R20 000;
„ R21 000 „ „ „ „ R22 000	R6 570 plus 54 per cent of the amount by which the taxable amount exceeds R21 000;
„ R22 000 „ „ „ „ R23 000	R7 110 plus 56 per cent of the amount by which the taxable amount exceeds R22 000;
„ R23 000 „ „ „ „ R24 000	R7 670 plus 58 per cent of the amount by which the taxable amount exceeds R23 000;
„ R24 000	R8 250 plus 60 per cent of the amount by which the taxable amount exceeds R24 000;

- (b) on each rand of the taxable income of any company (excluding taxable income derived from mining operations and taxable income referred to in subparagraph (e)), forty cents: Provided that there shall be added to the amount of tax calculated in accordance with the preceding provisions of this subparagraph a surcharge equal to five per cent of such amount;
- (c) on each rand of the taxable income derived by any company from mining for gold otherwise than on any post-1966 gold mine (but with the exclusion of so much of the taxable income as the Secretary 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), a percentage determined in accordance with the formula:

$$y = 60 - \frac{360}{x},$$

in which formula (and in the formulae set out in the first and second provisos hereto) y represents such percentage and x the ratio expressed as a percentage which the taxable income so derived (with the said exclusion) bears to the income so derived (with the said exclusion): Provided that if the taxable income so derived (with the said exclusion) does not exceed forty thousand rand, the rate of tax shall not exceed a percentage determined in accordance with the formula:

$$y = 20 \left(1 - \frac{6}{x}\right),$$

and if such taxable income exceeds forty thousand rand, the rate of tax shall not exceed a percentage determined in accordance with a formula arrived at by increasing the number 20 in the formula $y = 20 \left(1 - \frac{6}{x}\right)$ by one for each completed amount of two thousand five hundred rand by which the said taxable income exceeds forty thousand rand: Provided further that where a certificate is given by the Government Mining Engineer to the effect that prescribed conditions have been complied with, the rate of tax in respect of taxable income derived from mining for gold on an assisted gold mine shall not exceed a percentage determined in accordance with the formula $y = 68 - \frac{601}{x}$: Provided further that there shall be added to the amount of tax calculated in accordance with the preceding provisions of this subparagraph, excluding the second proviso, a surcharge equal to seven and a half per cent of such amount;

- (d) on each rand of the taxable income derived by any company from mining for gold on any post-1966 gold mine (but with the exclusion of so much of the taxable income as the Secretary 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), a percentage determined in accordance with the formula:

$$y = 60 - \frac{480}{x},$$

in which formula (and in the formulae set out in the first proviso hereto) y represents such percentage and x the ratio expressed as a percentage which the taxable income so derived (with the said exclusion) bears to the income so derived (with the said exclusion): Provided that if the taxable income so derived (with the said exclusion) does not exceed forty thousand rand, the rate of tax shall not exceed a percentage determined in accordance with the formula:

$$y = 20 \left(1 - \frac{8}{x}\right),$$

and if such taxable income exceeds forty thousand rand, the rate of tax shall not exceed a percentage determined in accordance with a formula arrived at by increasing the number 20 in

Wet No. 101, 1978

INKOMSTEBELASTINGWET, 1978.

getal 20 in die formule $y = 20 \left(1 - \frac{8}{x}\right)$ te verhoog met een vir elke volle bedrag van tweeduisend vyfhonderd rand wat genoemde belasbare inkomste meer as veertigduisend rand bedra: Met dien verstande voorts dat daar by die bedrag van belasting bereken volgens die voorgaande bepalinge van hierdie subparagraaf 'n toeslag gevoeg word gelyk aan sewe-en-'n-half persent van bedoelde bedrag;

- (e) 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 Sekretaris 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 vyf-en-dertig sent, watter ook al die hoogste is;
- (f) op elke rand van die belasbare inkomste wat deur 'n maatskappy uit die myn van diamante verkry word, vyf-en-veertig sent: Met dien verstande dat daar by die bedrag van belasting bereken volgens die voorgaande bepalinge van hierdie subparagraaf 'n toeslag gevoeg word gelyk aan sewe-en-'n-half persent van bedoelde bedrag;
- (g) op elke rand van die belasbare inkomste wat deur 'n maatskappy verkry word uit mynwerksaamhede (behalwe die myn van goud of diamante), veertig sent: Met dien verstande dat daar by die bedrag van belasting bereken volgens die voorgaande bepalinge van hierdie subparagraaf 'n toeslag gevoeg word gelyk aan vyf persent van bedoelde bedrag;
- (h) ten opsigte van die belasbare inkomste van 'n ander persoon as 'n maatskappy, 'n som gelyk aan tien persent van die bedrag aan belasting vasgestel ooreenkomstig subparagraaf (a), indien bedoelde bedrag nie minder as honderd-en-vyftig rand is nie: Met dien verstande dat 'n breukdeel van 'n rand in die belasting ingevolge hierdie subparagraaf bereken, buite rekening gelaat word;
- (i) ten opsigte van die belasbare inkomste van 'n maatskappy, 'n som gelyk aan vyftien persent van die totaal van die bedrae belasting wat ingevolge subparagraawe (b), (c), (d), (f) en (g) vasgestel is voor die byvoeging van die somme bedoel in die voorbehoudsbepaling by subparagraaf (b), die derde voorbehoudsbepaling by subparagraaf (c), die tweede voorbehoudsbepaling by subparagraaf (d), die voorbehoudsbepaling by subparagraaf (f) en die voorbehoudsbepaling by subparagraaf (g): Met dien verstande dat 'n breukdeel van 'n rand in die belasting ingevolge hierdie subparagraaf bereken, buite rekening gelaat word: Met dien verstande voorts dat die belasting ingevolge hierdie subparagraaf bereken, nie betaalbaar is nie deur 'n maatskappy wie se aanspreeklikheid ingevolge hierdie subparagraaf, by ontstentenis van hierdie voorbehoudsbepaling, minder as vyf rand sou wees.

2. (1) By die toepassing van paragraaf 1 sluit inkomste uit die myn van goud verkry ook 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 volgens die oordeel van die Sekretaris regstreeks uit die myn van goud voortvloei.

(2) By die toepassing van subparagraaf (e) van paragraaf 1 word die gemiddelde skaal van normale belasting vasgestel deur die totale normale belasting (met uitsluiting van die belasting ooreenkomstig genoemde subparagraaf vasgestel vir die tydperk waarvoor aangeslaan word) wat deur die betrokke maatskappy betaal is ten opsigte van sy totale belasbare inkomste uit die myn van goud vir die tydperk van 1 Julie 1916 tot die end van die tydperk waarvoor aangeslaan word, te deel deur die getal rande wat genoemde totale belasbare inkomste bevat.

(3) Die belasting ooreenkomstig enige van die subparagraawe van paragraaf 1 vasgestel, is betaalbaar benewens die belasting ooreenkomstig enige ander van genoemde subparagraawe vasgestel.

3. 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.

INCOME TAX ACT, 1978.

Act No. 101, 1978

the formula $y = 20 \left(1 - \frac{8}{x}\right)$ by one for each completed amount of two thousand five hundred rand by which the said taxable income exceeds forty thousand rand: Provided further that there shall be added to the amount of tax calculated in accordance with the preceding provisions of this subparagraph a surcharge equal to seven and a half per cent of such amount;

- (e) 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 Secretary 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 thirty-five cents, whichever is the higher;
- (f) on each rand of the taxable income derived by any company from mining for diamonds, forty-five cents: Provided that there shall be added to the amount of tax calculated in accordance with the preceding provisions of this subparagraph a surcharge equal to seven and a half per cent of such amount;
- (g) on each rand of the taxable income derived by any company from mining operations (other than mining for gold or diamonds), forty cents: Provided that there shall be added to the amount of tax calculated in accordance with the preceding provisions of this subparagraph a surcharge equal to five per cent of such amount;
- (h) in respect of the taxable income of any person other than a company, a sum equal to ten per cent of the amount of tax determined in accordance with subparagraph (a), if such tax is not less than one hundred and fifty rand: Provided that any fraction of a rand of the tax calculated under this subparagraph shall be disregarded;
- (i) in respect of the taxable income of any company, a sum equal to fifteen per cent of the aggregate of the amounts of tax determined under subparagraphs (b), (c), (d), (f) and (g), before the addition of the surcharges referred to in the proviso to subparagraph (b), the third proviso to subparagraph (c), the second proviso to subparagraph (d), the proviso to subparagraph (f) and the proviso to subparagraph (g): Provided that any fraction of a rand of the tax calculated under this subparagraph shall be disregarded: Provided further that the tax calculated in terms of this subparagraph shall not be payable by any company whose liability under this subparagraph would, but for this proviso, be less than five rand.

2. (1) For the purposes of paragraph 1 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 the mining for gold, and any income which, in the opinion of the Secretary, results directly from mining for gold.

(2) For the purposes of subparagraph (e) of paragraph 1 the average rate of normal tax shall be determined by dividing the total normal tax (excluding the tax determined in accordance with the said subparagraph for the period assessed) paid by the company concerned 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.

(3) The tax payable in accordance with any of the subparagraphs of paragraph 1 shall be payable in addition to the tax determined in accordance with any other of the said subparagraphs.

3. 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 thereto.

