REPUBLIEK VAN SUID-AFRIKA

STAATSKOERANT

GOVERNMENT GAZETTE

OF THE REPUBLIC OF SOUTH AFRICA

As 'n Nuusblad by die Poskantoor Geregistreer *Registered at the Post Office as a Newspaper*

VOL. 353 KAAPSTAD, 25 NOVEMBER 1994 CAPE TOWN, 25 NOVEMBER 1994 No. 16105

KANTOOR VAN DIE PRESIDENT

No. 2010. 25 November 1994

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

No. 21 van 1994: Inkomstebelastingswet, 1994.

OFFICE OF THE PRESIDENT

No. 2010. 25 November 1994

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

No. 21 of 1994: Income Tax Act, 1994.

ALGEMENE VERDUIDELIKENDE NOTA:

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

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

WET

Tot vasstelling van die skale van normale belasting betaalbaar deur ander persone as maatskappye ten opsigte van belasbare inkomstes vir die jare van aanslag eindigende op 28 Februarie 1995 en 30 Junie 1995, en deur maatskappye ten opsigte van belasbare inkomstes vir jare van aanslag wat eindig gedurende die tydperk van 12 maande eindigende op 31 Maart 1995; tot wysiging van die Inkomstebelastingwet, 1962; om 'n Goewermentskennisgewing in te trek; om voorsiening te maak vir spesiale bepalings met betrekking tot die oorgangsheffing wat deur sekere maatskappye betaalbaar is; om voorsiening te maak vir die administrasie van sekere wette deur die Kommissaris van Binnelandse Inkomste; om voorsiening te maak vir die instelling van 'n oorgangsheffing in die voormalige Republieke van Transkei, Bophuthatswana en Ciskei; om die toepassing van die Inkomstebelastingwet, 1962, uit te brei; om voorsiening te maak vir spesiale bepalings vir die vasstelling van belasbare inkomste verkry deur persone wat voorheen belasbaar was ingevolge sekere ander wette; om voorsiening te maak vir die behoud van sekere infaseringsbepalings ten opsigte van persone wat voorheen ingevolge die wette van die voormalige Republiek van Venda belas is; om die "Income Tax Act, 1962" (Wet No. 52 van 1962), van die voormalige Republiek van Venda te wysig; om die "Ciskei Income Tax Act, 1984" (Wet No. 44 van 1984), te wysig; om sekere wette te herroep; en om vir bykomstige aangeleenthede voorsiening te maak.

(Engelse teks deur die President geteken.)
(Goedgekeur op 16 November 1994.)

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

Skale van normale belasting

1. Die skale van normale belasting wat ooreenkomstig artikel 5(2) van die Inkomstebelastingwet, 1962 (Wet No. 58 van 1962) (hieronder die Hoofwet genoem), en ooreenkomstig artikel 5(2) van die "Income Tax Act, 1962" (Wet No. 58 van 1962), van die voormalige Republiek van Venda gehef 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 1995 of 30 Junie 1995; en

(b) die belasbare inkomste van 'n maatskappy vir 'n jaar van aanslag wat eindig gedurende die tydperk van 12 maande eindigende op 31 Maart 1995,

is soos uiteengesit in die Bylae by hierdie Wet.

GENERAL EXPLANATORY NOTE:

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

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

ACT

To fix the rates of normal tax payable by persons other than companies in respect of taxable incomes for the years of assessment ending on 28 February 1995 and 30 June 1995, and by companies in respect of taxable incomes for years of assessment ending during the period of 12 months ending on 31 March 1995; to amend the Income Tax Act, 1962; to withdraw a Government Notice; to provide for special provisions with regard to the transition levy payable by certain companies; to provide for the administration by the Commissioner for Inland Revenue of certain laws; to provide for the imposition of a transition levy in the former Republics of Transkei, Bophuthatswana and Ciskei; to extend the application of the Income Tax Act, 1962; to provide for special provisions for the determination of taxable income derived by persons previously assessable under certain other laws; to provide for the retention of certain phasing-in provisions in respect of persons previously taxed in terms of the laws of the former Republic of Venda; to amend the Income Tax Act, 1962 (Act No. 52 of 1962), of the former Republic of Venda; to amend the Ciskei Income Tax Act, 1984 (Act No. 44 of 1984); to repeal certain laws; and to provide for incidental matters.

(English text signed by the President.)
(Assented to 16 November 1994.)

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

Rates of normal tax

1. The rates of normal tax to be levied in terms of section 5(2) of the Income Tax Act, 1962 (Act No. 58 of 1962) (hereinafter referred to as the principal Act), and in terms of section 5(2) of the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Venda, in respect of—

(a) the taxable income of any person other than a company for the year of assessment ending on 28 February 1995 or 30 June 1995; and

(b) the taxable income of any company for any year of assessment ending during the period of 12 months ending on 31 March 1995,

shall be as set forth in the Schedule to this Act.

Wysiging van artikel 1 van Wet 58 van 1962, soos gewysig deur artikel 3 van Wet 90 van 1962, artikel 1 van Wet 6 van 1963, artikel 4 van Wet 72 van 1963, artikel 4 van Wet 90 van 1964, artikel 5 van Wet 88 van 1965, artikel 5 van Wet 55 van 1966, artikel 5 van Wet 95 van 1967, artikel 5 van Wet 76 van 1968, artikel 6 van Wet 89 van 1969, artikel 6 van Wet 52 van 1970, artikel 4 van Wet 88 van 1971, artikel 4 van Wet 90 van 1972, artikel 4 van Wet 65 van 1973, artikel 4 van Wet 85 van 1974, artikel 4 van Wet 69 van 1975, artikel 4 van Wet 103 van 1976, artikel 4 van Wet 113 van 1977, artikel 3 van Wet 101 van 1978, artikel 3 van Wet 104 van 1979, artikel 2 van Wet 104 van 1980, artikel 2 van Wet 96 van 1981, artikel 3 van Wet 91 van 1982, artikel 2 van Wet 94 van 1983, artikel 1 van Wet 30 van 1984, artikel 2 van Wet 121 van 1984, artikel 2 van Wet 96 van 1985, artikel 2 van Wet 65 van 1986, artikel 1 van Wet 108 van 1986, artikel 2 van Wet 85 van 1987, artikel 2 van Wet 90 van 1988, artikel 1 van Wet 99 van 1988, Goewermentskennisgewing No. R.780 van 14 April 1989, artikel 2 van Wet 70 van 1989, artikel 2 van Wet 101 van 1990, artikel 2 van Wet 129 van 1991, artikel 2 van Wet 141 van 1992 en artikel 2 van Wet 113 van 1993

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

(a) deur subparagraaf (i) van paragraaf *(a)* van die omskrywing van "uittredingfunderingsdiens" deur die volgende subparagraaf te vervang:

"(i) in die geval van bedoelde werknemer, ten opsigte van sy diens enige inkomste verkry wat besoldiging uitmaak soos omskryf in paragraaf 1 van die Vierde Bylae (maar sonder om rekening te hou met die bepalings van paragraaf *(c)* en paragraaf (vii) van bedoelde omskrywing en insluitend die bedrag van 'n toelae of voorskot ten opsigte van reiskoste beoog in artikel 8(1)*(b)* maar nie 'n toelae of voorskot beoog in artikel 8(1)*(b)*(iii) wat gebaseer is op die werklike afstand wat deur die ontvanger afgelê is, en wat vasgestel is teen 'n skaal per kilometer wat nie die toepaslike skaal per kilometer deur die Minister van Finansies ingevolge genoemde artikel 8(1)*(b)*(iii) bepaal, te bowe gaan nie) en 'n lid is van, of as 'n werknemer bydra tot, 'n pensioenfonds of voorsorgsfonds ingestel ten voordele van werknemers van die werkgewer van wie bedoelde inkomste verkry is; of"; en

(b) deur subparagrawe (iv) en (v) van paragraaf *(d)* van die omskrywing van "verbonde persoon" deur onderskeidelik die volgende subparagrawe te vervang:

"(iv) enige persoon, behalwe 'n maatskappy, wat afsonderlik of gesamentlik met 'n verbonde persoon met betrekking tot homself, regstreeks of onregstreeks, ten minste 20 persent van die maatskappy se ekwiteitsaandelekapitaal, ledebelang of stemregte hou;

(v) enige ander maatskappy indien ten minste **[40 persent]** 20 persent van die ekwiteitsaandelekapitaal **[ledebelang of stemregte van beide]** van bedoelde **[maatskappye deur dieselfde persone]** maatskappy deur bedoelde ander maatskappy gehou word, en geen aandeelhouer die meerderheid stemregte van bedoelde maatskappy hou nie; en".

(2) Subartikel (1)*(b)* tree op die datum van afkondiging van hierdie Wet in werking.

Wysiging van artikel 3 van Wet 58 van 1962, soos gewysig deur artikel 3 van Wet 141 van 1992

3. (1) Artikel 3 van die Hoofwet word hierby gewysig deur die volgende subartikel by te voeg:

"(4) 'n Beslissing van die Kommissaris kragtens artikel 8(4)*(e)*, artikel 10(1)*(cH)*, *(cI)*, *(cJ)*, *(cK)*, *(iA)*, *(j)* en *(nB)*, artikel 11*(e)*, *(f)*, *(g)*, *(gA)*, *(j)*, *(t)*, *(u)* en *(w)*, artikel 12C, artikel 13(1), artikel 14(1), artikel 15, artikel 16A, artikel 22(1), (3) en (5), artikel 24(2), artikel 24C, artikel 24D, artikel 27(2), artikel 31, artikel 35(2), artikel 42(2), paragrawe 7, 9, 13, 13A, 14, 19 en 20 van die Eerste Bylae, paragraaf 4 van die Tweede Bylae en paragrawe 3 en 6 van die Sewende Bylae, is aan beswaar en appèl onderhewig.".

Amendment of section 1 of Act 58 of 1962, as amended by section 3 of Act 90 of 1962, section 1 of Act 6 of 1963, section 4 of Act 72 of 1963, section 4 of Act 90 of 1964, section 5 of Act 88 of 1965, section 5 of Act 55 of 1966, section 5 of Act 95 of 1967, section 5 of Act 76 of 1968, section 6 of Act 89 of 1969, section 6 of Act 52 of 1970, section 4 of Act 88 of 1971, section 4 of Act 90 of 1972, section 4 of Act 65 of 1973, section 4 of Act 85 of 1974, section 4 of Act 69 of 1975, section 4 of Act 103 of 1976, section 4 of Act 113 of 1977, section 3 of Act 101 of 1978, section 3 of Act 104 of 1979, section 2 of Act 104 of 1980, section 2 of Act 96 of 1981, section 3 of Act 91 of 1982, section 2 of Act 94 of 1983, section 1 of Act 30 of 1984, section 2 of Act 121 of 1984, section 2 of Act 96 of 1985, section 2 of Act 65 of 1986, section 1 of Act 108 of 1986, section 2 of Act 85 of 1987, section 2 of Act 90 of 1988, section 1 of Act 99 of 1988, Government Notice No. R.780 of 14 April 1989, section 2 of Act 70 of 1989, section 2 of Act 101 of 1990, section 2 of Act 129 of 1991, section 2 of Act 141 of 1992 and section 2 of Act 113 of 1993

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

(a) by the substitution for subparagraphs (iv) and (v) of paragraph *(d)* of the definition of "connected person" of the following subparagraphs, respectively:

"(iv) any person, other than a company, who individually or jointly with any connected person in relation to himself, holds, directly or indirectly, at least 20 per cent of the company's equity share capital, members' interest or voting rights;

(v) any other company if at least **[40 per cent]** 20 per cent of the equity share capital **[members' interest or voting rights of both such companies]** of such company is held by **[the same persons]** such other company, and no shareholder holds the majority voting rights of such company; and";

(b) by the substitution for subparagraph (i) of paragraph *(a)* of the definition of "retirement-funding employment" of the following subparagraph:

"(i) in the case of such employee, derives in respect of his employment any income constituting remuneration as defined in paragraph 1 of the Fourth Schedule (but leaving out of account the provisions of paragraph *(c)* and paragraph (vii) of that definition and including the amount of any allowance or advance in respect of transport expenses contemplated in section 8(1)*(b)*, but not an allowance or advance contemplated in section 8(1)*(b)*(iii) which is based on the actual distance travelled by the recipient, and which is calculated at a rate per kilometre which does not exceed the appropriate rate per kilometre fixed by the Minister of Finance under the said section 8(1)*(b)*(iii)) and is a member of or, as an employee, contributes to a pension fund or provident fund established for the benefit of employees of the employer from whom such income is derived; or".

(2) Subsection (1)*(a)* shall come into operation on the date of promulgation of this Act.

Amendment of section 3 of Act 58 of 1962, as amended by section 3 of Act 141 of 1992

3.(1) Section 3 of the principal Act is hereby amended by the addition of the following subsection:

"(4) Any decision of the Commissioner under section 8(4)*(e)*, section 10(1)*(cH)*, *(cI)*, *(cJ)*, *(cK)*, *(iA)*, *(j)* and *(nB)*, section 11*(e)*, *(f)*, *(g)*, *(gA)*, *(j)*, *(t)*, *(u)* and *(w)*, section 12C, section 13(1), section 14(1), section 15, section 16A, section 22(1), (3) and (5), section 24(2), section 24C, section 24D, section 27(2), section 31, section 35(2), section 42(2), paragraphs 7, 9, 13, 13A, 14, 19 and 20 of the First Schedule, paragraph 4 of the Second Schedule and paragraphs 3 and 6 of the Seventh Schedule, shall be subject to objection and appeal.".

(2) Subartikel (1) tree in werking op die datum van afkondiging van hierdie Wet en is van toepassing op 'n beslissing wat op of na daardie datum aan die belastingpligtige of betrokke persoon oorgedra is.

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

4. Artikel 4 van die Hoofwet word hierby gewysig deur in subartikel (1) paragraaf *(b)* van die voorbehoudsbepaling deur die volgende paragraaf te vervang:

"*(b)* die Ouditeur-generaal by die uitvoering van sy pligte ingevolge **[artikel 42(1) van die Skatkis- en Ouditwet, 1975 (Wet No. 66 van 1975)]** artikel 5 van die Wet op die Ouditeur-generaal, 1989 (Wet No. 52 van 1989), tot dokumente in die besit of bewaring van die Kommissaris toegang het.".

Wysiging van artikel 5 van Wet 58 van 1962, soos gewysig deur artikel 2 van Wet 6 van 1963, artikel 5 van Wet 90 van 1964, artikel 6 van Wet 88 van 1965, artikel 7 van Wet 55 van 1966, artikel 6 van Wet 95 van 1967, artikel 6 van Wet 76 van 1968, artikel 7 van Wet 89 van 1969, artikel 7 van Wet 52 van 1970, artikel 5 van Wet 88 van 1971, artikel 5 van Wet 90 van 1972, artikel 5 van Wet 65 van 1973, artikel 5 van Wet 103 van 1976, artikel 5 van Wet 113 van 1977, artikel 3 van Wet 104 van 1980, artikel 4 van Wet 96 van 1981, artikel 4 van Wet 91 van 1982, artikel 3 van Wet 94 van 1983, artikel 3 van Wet 121 van 1984, artikel 3 van Wet 65 van 1986, artikel 3 van Wet 90 van 1988 en artikel 3 van Wet 129 van 1991

5. Artikel 5 van die Hoofwet word hierby gewysig—

(a) deur die woorde wat die formule in subartikel (10) voorafgaan deur die volgende woorde te vervang:

"Waar 'n belastingpligtige se inkomste spesiale besoldiging insluit, of waar die bepalings van artikel 7A(4A) of paragraaf 15(3) of 17 of 19(1) van die Eerste Bylae of paragraaf 7 van die Tweede Bylae **[of paragraaf 9 van die Sesde Bylae]** in die geval van die belastingpligtige van toepassing is ten opsigte van 'n jaar van aanslag, word die normale belasting wat deur die belastingpligtige ten opsigte van daardie jaar betaalbaar is (soos vasgestel vóór die aftrekking van enige korting of die byvoeging van enige **[leningsgedeelte van bedoelde belasting]** oorgangsheffing), ooreenkomstig die formule—";

(b) deur paragraaf *(b)* van subartikel (10) deur die volgende paragraaf te vervang:

"*(b)* 'A' die bedrag aan normale belasting voorstel (soos vasgestel **[ná die byvoeging van enige toeslag of die aftrekking van enige afslag maar]** vóór die aftrekking van enige korting of die byvoeging van enige **[leningsgedeelte van bedoelde belasting]** oorgangsheffing) wat bereken word teen die volle skaal van belasting wat vir bedoelde jaar hefbaar is, ten opsigte van 'n belasbare inkomste gelyk aan die bedrag wat deur die uitdrukking 'B—C' in die formule voorgestel word;"; en

(c) deur subparagraaf (v) van paragraaf *(d)* van subartikel (10) te skrap.

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

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

(2) Subsection (1) shall come into operation on the date of promulgation of this Act and shall apply to any decision communicated to the taxpayer or person concerned on or after that date.

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

4. Section 4 of the principal Act is hereby amended by the substitution in subsection (1) for paragraph *(b)* of the proviso of the following paragraph:

"*(b)* the Auditor-General shall in the performance of his duties in terms of **[section 42(1) of the Exchequer and Audit Act, 1975 (Act No. 66 of 1975)]** section 5 of the Auditor-General Act, 1989 (Act No. 52 of 1989), have access to documents in the possession or custody of the Commissioner.".

Amendment of section 5 of Act 58 of 1962, as amended by section 2 of Act 6 of 1963, section 5 of Act 90 of 1964, section 6 of Act 88 of 1965, section 7 of Act 55 of 1966, section 6 of Act 95 of 1967, section 6 of Act 76 of 1968, section 7 of Act 89 of 1969, section 7 of Act 52 of 1970, section 5 of Act 88 of 1971, section 5 of Act 90 of 1972, section 5 of Act 65 of 1973, section 5 of Act 103 of 1976, section 5 of Act 113 of 1977, section 3 of Act 104 of 1980, section 4 of Act 96 of 1981, section 4 of Act 91 of 1982, section 3 of Act 94 of 1983, section 3 of Act 121 of 1984, section 3 of Act 65 of 1986, section 3 of Act 90 of 1988 and section 3 of Act 129 of 1991

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

(a) by the substitution for the words preceding the formula in subsection (10) of the following words:

"Where any taxpayer's income includes any special remuneration, or where the provisions of section 7A(4A) or paragraph 15(3) or 17 or 19(1) of the First Schedule or paragraph 7 of the Second Schedule **[or paragraph 9 of the Sixth Schedule]** are applicable in the case of the taxpayer in respect of any year of assessment, the normal tax payable by the taxpayer in respect of such year (as determined before the deduction of any rebate or the addition of any **[loan portion of such tax]** transition levy) shall be determined in accordance with the formula—";

(b) by the substitution for paragraph *(b)* of subsection (10) of the following paragraph:

"*(b)* 'A' represents the amount of normal tax (as determined **[after the addition of any surcharge or the deduction of any discount but]** before the deduction of any rebate or the addition of any **[loan portion of such tax]** transition levy) calculated at the full rate of tax chargeable for the said year in respect of a taxable income equal to the amount represented by the expression 'B—C' in the formula;"; and

(c) by the deletion of subparagraph (v) of paragraph *(d)* of subsection (10).

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

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

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

"(i) 'n Minister, Adjunk-minister **[of Ministeriële Verteenwoordiger van die Republiek]** 'n lid van die Parlement of 'n lid van **[die Presidentsraad of die administrateur van 'n provinsie]** 'n provinsiale wetgewer;"; en

(b) deur die volgende paragrawe by subartikel (1) te voeg:

"*(f)* Waar dit van 'n persoon bedoel in paragraaf *(e)*(i) verwag word om enige onkoste bedoel in paragraaf *(d)* uit sy salaris ontvang as die bekleër van 'n openbare amp, te bestry, word 'n bedrag gelyk aan 'n gedeelte (wat van tyd tot tyd deur die Minister by kennisgewing in die *Staatskoerant* vasgestel word) van bedoelde salaris, by die toepassing van paragraaf *(d)* geag 'n toelae aan bedoelde persoon toegestaan, te wees.

(g) Waar, gedurende 'n jaar van aanslag, 'n persoon bedoel in paragraaf *(e)* 'n openbare amp vir minder as 12 maande beklee het, word die bedrag van R2 500 bedoel in die voorbehoudsbepaling by paragraaf *(d)*(iv) en die bedrag deur die Minister vasgestel ingevolge paragraaf *(f)*, verminder tot 'n bedrag wat in dieselfde verhouding tot die betrokke bedrag staan as die verhouding waarin die aantal maande (by die vasstelling waarvan 'n gedeelte van 'n maand as 'n volle maand beskou word) waarteen die amp beklee is tot 12 maande staan.".

(2) Subartikel (1) word geag op 27 April 1994 in werking te getree het.

Wysiging van artikel 9 van Wet 58 van 1962, soos gewysig deur artikel 7 van Wet 90 van 1962, artikel 6 van Wet 72 van 1963, artikel 7 van Wet 90 van 1964, artikel 9 van Wet 95 van 1967, artikel 12 van Wet 89 van 1969, artikel 6 van Wet 65 van 1973, artikel 9 van Wet 85 van 1974, artikel 8 van Wet 103 van 1976, artikel 9 van Wet 121 van 1984, artikel 5 van Wet 96 van 1985, artikel 6 van Wet 65 van 1986, artikel 2 van Wet 108 van 1986, artikel 7 van Wet 85 van 1987, artikel 36 van Wet 9 van 1989, artikel 10 van Wet 129 van 1991, artikel 7 van Wet 141 van 1992, artikel 5 van Wet 113 van 1993 en artikel 3 van Wet 140 van 1993

7. (1) Artikel 9 van die Hoofwet word hierby gewysig deur na subartikel (1) die volgende subartikel in te voeg:

"(1A) By die toepassing van paragraaf *(g)*(ii) word die dienste bedoel in paragrawe *(d)*, *(d)bis*, *(f)* of *(f*A), geag dienste te wees wat binne die Republiek verrig is.".

(2) Subartikel (1) tree op 1 Januarie 1995 in werking en is van toepassing op dienste op of na daardie datum verrig.

Wysiging van artikel 9A van Wet 58 van 1962, soos ingevoeg deur artikel 8 van Wet 85 van 1987 en gewysig deur artikel 8 van Wet 141 van 1992

8. Artikel 9A van die Hoofwet word hierby gewysig deur die omskrywing van "beleggingsinkomste" in subartikel (1) deur die volgende omskrywing te vervang:

" 'beleggingsinkomste' 'n bedrag verkry uit 'n bron buite of binne die Republiek in die vorm van rente, dividende, huurgelde (behalwe huurgelde ten opsigte van vaste eiendom wat buite die Republiek geleë is), enige wins wat by die delging of vervreemding van 'n bankaksep of dergelike stuk gemaak is of enige bedrag van 'n dergelike aard, of 'n wins wat by die beskikking oor 'n handelseffek of reg om handelseffekte te verkry, gemaak is **[of die bedrag van 'n wins bedoel in paragraaf *(e*A) van die omskrywing van 'bruto inkomste' in artikel 1 waar dié wins, indien dit deur 'n inwoner van die Republiek gemaak sou gewees het, by sy bruto inkomste ingesluit sou gewees het]**;".

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

"(i) a Minister, Deputy Minister, **[or Ministerial Representative of the Republic]** a member of Parliament or a member of **[the President's Council or the administrator of a province]** a provincial legislature;"; and

(b) by the addition to subsection (1) of the following paragraphs:

"*(f)* Where it is expected of any person contemplated in paragraph *(e)*(i) to defray any expenditure referred to in paragraph *(d)* out of his salary received as the holder of any public office, an amount equal to a portion (which shall be determined from time to time by the Minister by notice in the *Gazette*) of such salary shall for the purposes of paragraph *(d)* be deemed to be an allowance granted to such person.

(g) Where, during any year of assessment, any person contemplated in paragraph *(e)* has held a public office for less than 12 months, the amount of R2 500 referred to in the proviso to paragraph *(d)*(iv) and the amount determined by the Minister in terms of paragraph *(f)*, shall be reduced to an amount which bears to the relevant amount, the same ratio as the number of months (in the determination of which a part of a month shall be reckoned as a full month), for which the office was held bears to 12 months.".

(2) Subsection (1) shall be deemed to have come into operation on 27 April 1994.

Amendment of section 9 of Act 58 of 1962, as amended by section 7 of Act 90 of 1962, section 6 of Act 72 of 1963, section 7 of Act 90 of 1964, section 9 of Act 95 of 1967, section 12 of Act 89 of 1969, section 6 of Act 65 of 1973, section 9 of Act 85 of 1974, section 8 of Act 103 of 1976, section 9 of Act 121 of 1984, section 5 of Act 96 of 1985, section 6 of Act 65 of 1986, section 2 of Act 108 of 1986, section 7 of Act 85 of 1987, section 36 of Act 9 of 1989, section 10 of Act 129 of 1991, section 7 of Act 141 of 1992, section 5 of Act 113 of 1993 and section 3 of Act 140 of 1993

7. (1) Section 9 of the principal Act is hereby amended by the insertion after subsection (1) of the following subsection:

"(1A) For the purposes of paragraph *(g)*(ii) the services referred to in paragraphs *(d)*, *(d)bis*, *(f)* and *(f*A*)* shall be deemed to have been performed within the Republic.".

(2) Subsection (1) shall come into operation on 1 January 1995 and shall apply to any services performed on or after that date.

Amendment of section 9A of Act 58 of 1962, as inserted by section 8 of Act 85 of 1987 and amended by section 8 of Act 141 of 1992

8. Section 9A of the principal Act is hereby amended by the substitution for the definition of "investment income" in subsection (1) of the following definition:

" 'investment income' means any amount derived from any source outside or within the Republic in the form of interest, dividends, rents (other than rents in respect of immovable property situated outside the Republic), any gains made on the redemption or disposal of any banker's acceptance or similar instrument or any amount which is of a similar nature, or any gain made on the disposal of any marketable security or any right to acquire marketable securities **[or the amount of any gain referred to in paragraph *(e*A*)* of the definition of 'gross income' in section 1 where such gain would if it had been made by a resident of the Republic have been included in his gross income]**;".

Wysiging van artikel 10 van Wet 58 van 1962, soos gewysig deur artikel 8 van Wet 90 van 1962, artikel 7 van Wet 72 van 1963, artikel 8 van Wet 90 van 1964, artikel 10 van Wet 88 van 1965, artikel 11 van Wet 55 van 1966, artikel 10 van Wet 95 van 1967, artikel 8 van Wet 76 van 1968, artikel 13 van Wet 89 van 1969, artikel 9 van Wet 52 van 1970, artikel 9 van Wet 88 van 1971, artikel 7 van Wet 90 van 1972, artikel 7 van Wet 65 van 1973, artikel 10 van Wet 85 van 1974, artikel 8 van Wet 69 van 1975, artikel 9 van Wet 103 van 1976, artikel 8 van Wet 113 van 1977, artikel 4 van Wet 101 van 1978, artikel 7 van Wet 104 van 1979, artikel 7 van Wet 104 van 1980, artikel 8 van Wet 96 van 1981, artikel 6 van Wet 91 van 1982, artikel 9 van Wet 94 van 1983, artikel 10 van Wet 121 van 1984, artikel 6 van Wet 96 van 1985, artikel 7 van Wet 65 van 1986, artikel 3 van Wet 108 van 1986, artikel 9 van Wet 85 van 1987, artikel 7 van Wet 90 van 1988, artikel 36 van Wet 9 van 1989, artikel 7 van Wet 70 van 1989, artikel 10 van Wet 101 van 1990, artikel 12 van Wet 129 van 1991, artikel 10 van Wet 141 van 1992, artikel 7 van Wet 113 van 1993 en artikel 4 van Wet 140 van 1993

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

(a) deur subparagraaf (i) van paragraaf *(c)* van subartikel (1) te skrap;

(b) deur die volgende voorbehoudsbepaling by subparagraaf (ii) van paragraaf *(c)* van subartikel (1) te voeg:

"Met dien verstande dat die bepalings van hierdie subparagraaf nie van toepassing is nie op 'n bedrag betaalbaar aan iemand of sy agterblywende gade omrede so iemand die amp van President soos verkies ingevolge artikel 77 van die Grondwet beklee het;";

(c) deur subparagraaf (v) van paragraaf *(cC)* van subartikel (1) deur die volgende subparagraaf te vervang:

"(v) in die geval van 'n vereniging waarop die bepalings van item *(bb)* van subparagraaf (i) van toepassing is, die direkteure van die vereniging onafhanklike persone is wat geen vergoeding vir hul dienste aan die vereniging verkry nie (of, indien bedoelde vergoeding wel deur so 'n direkteur verkry word, dit nie in enige jaar meer is nie as 'n bedrag wat in die omstandighede redelik is) en minstens een van daardie direkteure 'n persoon is wat deur 'n Minister of die lid van 'n Uitvoerende Raad van 'n provinsie verantwoordelik vir behuisingsaangeleenthede benoem is;";

(d) deur item *(bb)* van subparagraaf (v) van paragraaf *(cI)* van subartikel (1) deur die volgende item te vervang;

"*(bb)* een van daardie direkteure, lede of trustees 'n persoon is wat deur 'n Minister of die lid van 'n Uitvoerende Raad van 'n provinsie verantwoordelik vir behuisingsaangeleenthede benoem is, of, in 'n geval waar **[die]** 'n voormalige Administrateur van 'n provinsie, tot die uitsluiting van so 'n Minister, belas **[is]** was met die administrasie van 'n toepaslike wet wat met behuising verband hou, deur bedoelde Administrateur;";

(e) deur die volgende paragraaf na paragraaf *(cL)* van subartikel (1) in te voeg:

"*(cM)* die ontvangste en toevallings van 'n maatskappy, wat ingevolge artikel 21 van die Maatskappywet, 1973 (Wet No. 61 van 1973), opgerig of ingelyf is, of wat ingevolge genoemde artikel geag word aldus opgerig en ingelyf te wees, wat deur die Kommissaris goedgekeur is, indien—

(i) die enigste of vernaamste oogmerk van die maatskappy is om die distribusie van landbou- en verwante produkte te bevorder en te vergemaklik;

(ii) bedoelde enigste of vernaamste oogmerk aktief uitgevoer word;

(iii) die maatskappy nie bewustelik 'n party is of was nie by, of nie bewustelik toelaat, of nie bewustelik toegelaat het nie, dat dit gebruik word as deel van 'n transaksie, handeling of skema waarvan die enigste of hoofdoel die vermindering, uitstel of vermyding is van die aanspreeklikheid vir enige belasting, reg of heffing wat, by ontstentenis van bedoelde

Amendment of section 10 of Act 58 of 1962, as amended by section 8 of Act 90 of 1962, section 7 of Act 72 of 1963, section 8 of Act 90 of 1964, section 10 of Act 88 of 1965, section 11 of Act 55 of 1966, section 10 of Act 95 of 1967, section 8 of Act 76 of 1968, section 13 of Act 89 of 1969, section 9 of Act 52 of 1970, section 9 of Act 88 of 1971, section 7 of Act 90 of 1972, section 7 of Act 65 of 1973, section 10 of Act 85 of 1974, section 8 of Act 69 of 1975, section 9 of Act 103 of 1976, section 8 of Act 113 of 1977, section 4 of Act 101 of 1978, section 7 of Act 104 of 1979, section 7 of Act 104 of 1980, section 8 of Act 96 of 1981, section 6 of Act 91 of 1982, section 9 of Act 94 of 1983, section 10 of Act 121 of 1984, section 6 of Act 96 of 1985, section 7 of Act 65 of 1986, section 3 of Act 108 of 1986, section 9 of Act 85 of 1987, section 7 of Act 90 of 1988, section 36 of Act 9 of 1989, section 7 of Act 70 of 1989, section 10 of Act 101 of 1990, section 12 of Act 129 of 1991, section 10 of Act 141 of 1992, section 7 of Act 113 of 1993 and section 4 of Act 140 of 1993

9.(1) Section 10 of the principal Act is hereby amended—

(a) by the deletion of subparagraph (i) of paragraph *(c)* of subsection (1);

(b) by the addition to subparagraph (ii) of paragraph *(c)* of subsection (1) of the following proviso:

"Provided that the provisions of this subparagraph shall not apply to any amount payable to any person or his surviving spouse by reason of such person having occupied the office of President as elected in terms of section 77 of the Constitution;";

(c) by the substitution for subparagraph (v) of paragraph *(cC)* of subsection (1) of the following subparagraph:

"(v) in the case of an association to which the provisions of item *(bb)* of subparagraph (i) apply, the directors of the association are independent persons who do not derive any remuneration for their services to the association (or, if such remuneration is in fact derived by any such director, it does not in any one year exceed an amount which is reasonable in the circumstances) and at least one of those directors is a person nominated by a Minister or the member of an Executive Council of a province responsible for housing matters;";

(d) by the substitution for item *(bb)* of subparagraph (v) of paragraph *(cI)* of subsection (1) of the following item:

"*(bb)* one of those directors, members or trustees is a person nominated by a Minister or the member of an Executive Council of a province responsible for housing matters, or, in any case where **[the]** a former Administrator of a province **[is]** was, to the exclusion of such a Minister, charged with the administration of any applicable law relating to housing, by such Administrator;";

(e) by the insertion after paragraph *(cL)* of subsection (1) of the following paragraph:

"*(cM)* the receipts and accruals of any company formed and incorporated under section 21 of the Companies Act, 1973 (Act No. 61 of 1973), or deemed by the said section to be so formed and incorporated, which has been approved by the Commissioner, if—

(i) the sole or principal object of the company is to promote and facilitate the distribution of agricultural and related commodities;

(ii) such sole or principal object is actively pursued;

(iii) the company is or was not knowingly a party to, or does not knowingly permit, or has not knowingly permitted, itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is or was the reduction, postponement or avoidance of liability for any tax, duty or levy which, but for such transaction, operation or scheme, would have been or would have become payable by any person under this Act or any other Act administered by the Commissioner;

transaksie, handeling of skema, deur 'n persoon ingevolge hierdie Wet of enige ander Wet wat deur die Kommissaris geadministreer word, betaalbaar sou gewees het of geword het;

(iv) die maatskappy geen besigheid dryf nie, behalwe besigheid wat regstreeks met bedoelde enigste of vernaamste oogmerk in verband staan;

(v) ten minste een van die lede 'n plaaslike owerheid is; en

(vi) ingevolge die akte van oprigting of statute van die maatskappy, hy by sy deregistrasie, ontbinding of likwidasie verplig sal wees om sy bates wat na voldoening aan sy verpligtinge oorbly te gee of oor te maak, aan—

(aa) 'n ander maatskappy wat ingevolge hierdie paragraaf van belasting vrygestel is; of

(bb) 'n plaaslike owerheid om bedoelde bates vir dieselfde oogmerk as voorgenoemde maatskappy aan te wend:

Met dien verstande dat—

(a) waar die Kommissaris oortuig is dat enige bedoelde maatskappy gedurende 'n jaar van aanslag versuim het om aan die bepalings van hierdie paragraaf te voldoen, hy sy goedkeuring van die maatskappy met ingang van die begin van daardie jaar van aanslag kan intrek;

(b) waar die Kommissaris sy goedkeuring van bedoelde maatskappy ingetrek het, dit binne twee maande vanaf die datum van bedoelde intrekking sy oorblywende bates moet oordra, of redelike stappe moet doen om sodanige bates oor te dra, aan enige maatskappy, wat kragtens hierdie paragraaf van belasting vrygestel is of 'n plaaslike owerheid om bedoelde bates vir dieselfde oogmerke as voorgenoemde maatskappy aan te wend;

(c) waar 'n maatskappy versuim om sy oorblywende bates soos beoog in paragraaf *(b)* van hierdie voorbehoudsbepaling oor te dra of redelike stappe te doen om sodanige bates oor te dra, die opgehoopte netto inkomste wat nie uitgekeer is nie by die toepassing van hierdie Wet geag word 'n bedrag aan belasbare inkomste te wees wat bedoelde fonds toegeval het gedurende die jaar van aanslag in paragraaf *(a)* van hierdie voorbehoudsbepaling bedoel; en

(d) 'n beslissing van die Kommissaris by die uitoefening van sy diskresie kragtens hierdie paragraaf aan beswaar en appèl onderhewig is;";

(f) deur subparagraaf (xiii) van paragraaf *(t)* van subartikel (1) te skrap; en

(g) deur paragraaf *(zA)* van subartikel (1) deur die volgende paragraaf te vervang:

"*(zA)* 'n bedrag by wyse van 'n korting of ander hulp ontvang deur of toegeval aan of ten gunste van 'n uitvoerder (soos in artikel 11*bis*(1) omskryf) ingevolge 'n skema vir die bevordering of finansiering van uitvoere wat die Minister van Handel en **[Toerisme]** Nywerheid, met die instemming van die Minister van Finansies, vir die doeleindes van hierdie paragraaf goedkeur is: **[asook 'n bedrag (met insluiting van enige rente betaal ingevolge die Algemene Uitvoeraansporingskema wat met ingang van 1 April 1990 ingestel is en wat bereken is ten opsigte van 'n tydperk wat na 1 April 1991 val) wat op of na 1 April 1990 deur die Staat ingevolge 'n genoemde skema betaal word]** Met dien verstande dat waar die persoon wat geregtig is om bedoelde bedrag van die Staat te eis, kragtens 'n ooreenkoms direk verbonde aan die uitvoerbedryf deur hom beoefen, ingestem het om die hele of 'n gedeelte van bedoelde bedrag

(iv) the company does not carry on any business other than business which is directly connected with the said sole or principal object;

(v) at least one of the members is a local authority;

(vi) in terms of the memorandum or articles of association of the company, it is upon its deregistration, winding-up or liquidation obliged to give or transfer its assets remaining after the satisfaction of its liabilities to—

(aa) some other company which is exempt from tax under this paragraph; or

(bb) a local authority to utilize such assets for the same objects as the aforesaid company:

Provided that—

(a) where the Commissioner is satisfied that any such company has during any year of assessment failed to comply with the provisions of this paragraph, he may withdraw his approval of the company with effect from the commencement of that year of assessment;

(b) where the Commissioner has withdrawn his approval of such company, it shall, within two months from the date of such withdrawal, transfer, or take reasonable steps to transfer, its remaining assets to any company which is exempt from tax under this paragraph or to a local authority to utilize such assets for the same objects as the aforesaid company;

(c) where a company fails to transfer, or take reasonable steps to transfer, its remaining assets as contemplated in paragraph *(b)* of this proviso, the accumulated net revenue which has not been distributed shall be deemed for the purposes of this Act to be an amount of taxable income which accrued to such company during the year of assessment referred to in paragraph *(a)* of this proviso; and

(d) any decision of the Commissioner in the exercise of his discretion under this paragraph shall be subject to objection and appeal;";

(f) by the deletion of subparagraph (xiii) of paragraph *(t)* of subsection (1); and

(g) by the substitution for paragraph *(z*A*)* of subsection (1) of the following paragraph:

"*(z*A*)* any amount by way of rebate or other assistance received by or accrued to or in favour of any exporter (as defined in section 11*bis*(1)) under any scheme for the promotion or financing of exports which is for the purposes of this paragraph approved by the Minister of Trade and Industry **[and Tourism]** with the concurrence of the Minister of Finance **[as well as any amount (including any interest paid in terms of the General Export Incentive Scheme introduced with effect from 1 April 1990 and which is calculated in respect of any period falling after 1 April 1991) which is paid by the State, on or after 1 April 1990, under any such scheme]**: Provided that where the person entitled to claim such amount from the State has, under an agreement directly connected with the export trade carried on by him,

aan 'n ander persoon te betaal, die vrystelling kragtens hierdie paragraaf ook van toepassing sal wees op die hele of bedoelde gedeelte van bedoelde bedrag ontvang deur of toegeval aan bedoelde ander persoon kragtens genoemde ooreenkoms;".

(2)*(a)* Subartikel (1)*(a)* en *(b)* word geag op 10 Mei 1994 in werking te getree het en is van toepassing op enige bedrag wat op of na daardie datum aan 'n persoon betaal of betaalbaar is.

(b) Subartikel (1)*(f)* word geag op 1 April 1994 in werking te getree het en is van toepassing vanaf die begin van jare van aanslag beginnende op of na daardie datum.

(c) Subartikel (1)*(g)* tree in werking op 1 Maart 1995 en is van toepassing op—

(i) enige bedrag vasgestel ingevolge die Algemene Uitvoeraansporingskema ten opsigte van uitvoerverkope (soos beoog in die riglyne vir die Algemene Uitvoeraansporingskema) wat op of na daardie datum plaasvind; en

(ii) enige bedrag ontvang deur of toegeval aan of ten gunste van 'n persoon op of na daardie datum ingevolge enige ander skema.

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

10. Artikel 11 van die Hoofwet word hierby gewysig—

(a) deur paragraaf (iii) van die voorbehoudsbepaling by paragraaf *(e)* deur die volgende paragraaf te vervang:

"(iii) geen vermindering ingevolge hierdie paragraaf toegestaan word nie ten opsigte van 'n skip waarop die bepalings van artikel 14(1)*(a)* of *(b)* van toepassing is of ten opsigte van 'n vliegtuig waarop die bepalings van artikel 14*bis*(1)*(a)*, **[of]** *(b)* <u>of *(c)*</u> van toepassing is;";

(b) deur die woorde wat die voorbehoudsbepaling by paragraaf *(o)* voorafgaan deur die volgende woorde te vervang:

"behoudens die bepalings van paragraaf 12(2) van die Eerste Bylae, 'n vermindering ten opsigte van 'n gebou (of gedeelte daarvan) in artikel 13(1) of (4) of artikel 13*bis*(1) of artikel 27(2)*(b)* bedoel of van verbeterings (of gedeelte daarvan) aan bedoelde gebou of van 'n in artikel 13(8) bedoelde skeepsbouwerk of van verbeterings aan bedoelde skeepsbouwerk of van 'n wooneenheid in artikel 13*ter* bedoel of van enige permanente werk, padplaveisel of bykomstige diens in artikel 24G bedoel of van masjinerie, installasie, gereedskap, werktuie of artikels deur die belastingpligtige gebruik vir die doeleindes van sy bedryf, wat gedurende die jaar van aanslag deur die belastingpligtige as uitgedien onttrek is, te wete, 'n vermindering gelyk aan die bedrag wat die oorspronklike koste aan die belastingpligtige van bedoelde gebou (of gedeelte daarvan) of bedoelde verbeterings (of gedeelte daarvan) aan bedoelde gebou of bedoelde skeepsbouwerk of bedoelde verbeterings aan bedoelde skeepsbouwerk of bedoelde wooneenheid of bedoelde permanente werk, padplaveisel of bykomstige diens of bedoelde masjinerie, installasie, gereedskap, werktuie of artikels meer is as die totale bedrag verkry deur al die verminderings ingevolge die bepalings van paragraaf *(e)* van hierdie artikel, of artikel 12(1), of artikel 12(1) soos toegepas deur artikel 12(3), of artikel 12A(2), of artikel 12B,

agreed to pay the whole or any portion of such amount to any other person, the exemption under this paragraph shall also apply to the whole or such portion of such amount received by or accrued to such other person under the said agreement;".

(2)*(a)* Subsection (1)*(a)* and *(b)* shall be deemed to have come into operation on 10 May 1994 and shall apply to any amount paid or payable to any person on or after that date.

(b) Subsection (1)*(f)* shall be deemed to have come into operation on 1 April 1994 and shall apply to years of assessment commencing on or after that date.

(c) Subsection (1)*(g)* shall come into operation on 1 March 1995 and shall apply to—

(i) any amount determined in terms of the General Export Incentive Scheme in respect of export sales (as contemplated in the guidelines for the General Export Incentive Scheme) which take place on or after that date; and

(ii) any amount received by or accrued to or in favour of any person on or after that date under any other scheme.

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

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

(a) by the substitution for paragraph (iii) of the proviso to paragraph *(e)* of the following paragraph:

"(iii) no allowance shall be made under this paragraph in respect of any ship to which the provisions of section 14(1)*(a)* or *(b)* apply or in respect of any aircraft to which the provisions of section 14*bis*(1)*(a)*, **[or]** *(b)* <u>or *(c)*</u> apply;";

(b) by the substitution for the words preceding the proviso to paragraph *(o)* of the following words:

"save as provided in paragraph 12(2) of the First Schedule, an allowance in respect of any building (or portion thereof) referred to in section 13(1) or (4) or section 13*bis*(1) or section 27(2)*(b)* or of any improvements (or portion thereof) to such building or of any shipbuilding structure referred to in section 13(8) or of any improvement to such shipbuilding structure or of any residential unit referred to in section 13*ter* or of any permanent work, road pavement or ancillary service referred to in section 24G or of any machinery, plant, implements, utensils or articles used by the taxpayer for the purposes of his trade which have been scrapped by such taxpayer during the year of assessment, such allowance to be the excess of the original cost to such taxpayer of such building (or portion thereof) or such improvements (or portion thereof) to such building or such shipbuilding structure or such improvements to such shipbuilding structure or such residential unit or such permanent work, road pavement or ancillary service or such machinery, plant, implements, utensils or articles over the total amount arrived at by adding all the allowances made in respect thereof under the provisions of paragraph *(e)* of this section, or section 12(1), or section 12(1) as applied by section 12(3), or

of artikel 12C, of artikel 13(1), of artikel 13(1) soos toegepas deur artikel 13(4) of (8), of artikel 13*bis*(1), (2) of (3), of artikel 13*ter*(2) of (3), of artikel 14(1)*(a)* of *(b)*, of die ooreenstemmende bepalings van 'n vorige Inkomstebelastingwet, of artikel 14*bis*(1)*(a)*, **[of]** *(b)* of *(c)*, of artikel 24F, of artikel 24G, of artikel 27(2)*(b) of (d)*, ten opsigte daarvan toegestaan, te voeg by enige bedrag of die waarde van enige voordeel wat aan die belastingpligtige toeval ten opsigte van die verkoop van of ander beskikking oor sodanige gebou, skeepsbouwerk, verbeterings, wooneenheid, permanente werk, padplaveisel of bykomstige diens, masjinerie, installasie, gereedskap, werktuie of artikels:"; en

(c) deur paragraaf *(u*A*)* te skrap.

Wysiging van artikel 12C van Wet 58 van 1962, soos ingevoeg deur artikel 14 van Wet 101 van 1990 en gewysig deur artikel 11 van Wet 113 van 1993 en artikel 7 van Wet 140 van 1993

11. Artikel 12C van die Hoofwet word hierby gewysig deur die volgende subartikel by te voeg:

"(6) Onkoste (behalwe onkoste in artikel 11*(a)* bedoel) deur 'n belastingpligtige aangegaan gedurende 'n jaar van aanslag in verband met die verskuiwing van 'n bate, ten opsigte waarvan 'n aftrekking ingevolge hierdie artikel of artikel 12B toegestaan is of toelaatbaar is, vanaf een plek na 'n ander, word—

(a) waar die belastingpligtige op 'n aftrekking ingevolge subartikel (1) geregtig is ten opsigte van bedoelde bate in daardie jaar en een of meer daaropvolgende jare, as 'n aftrekking van sy inkomste toegestaan in gelyke paaiemente in elke jaar waartydens bedoelde aftrekking toelaatbaar is; of

(b) in enige ander geval, as 'n aftrekking teen sy inkomste in daardie jaar toegestaan.".

Wysiging van artikel 13*bis* van Wet 58 van 1962, soos ingevoeg deur artikel 15 van Wet 88 van 1965 en gewysig deur artikel 18 van Wet 55 van 1966, artikel 14 van Wet 95 van 1967, artikel 14 van Wet 88 van 1971, artikel 14 van Wet 69 van 1975, artikel 13 van Wet 94 van 1983, artikel 46 van Wet 97 van 1986, artikel 13 van Wet 90 van 1988 en artikel 13 van Wet 113 van 1993

12. Artikel 13*bis* van die Hoofwet word hierby gewysig—

(a) deur paragraaf *(e)* van subartikel (1) deur die volgende paragraaf te vervang:

"*(e)* van die gedeelte van enige gebouverbeterings (behalwe herstelwerk en behalwe verbeterings ten opsigte van die koste waarvan, of van 'n gedeelte daarvan, 'n vermindering ingevolge die voorgaande bepalings van hierdie subartikel van die belastingpligtige se inkomste vir die lopende of 'n vorige jaar van aanslag afgetrek kan of kon word) wat op of na 1 Januarie 1964 begin is, wat gedurende die betrokke jaar van aanslag deur die belastingpligtige vir doeleindes van sy bedryf van hotelhouer gebruik is of gedurende die betrokke jaar van aanslag deur die belastingpligtige verhuur is en deur die huurder vir doeleindes van die huurder se bedryf van hotelhouer gebruik is **[mits die gebou (of 'n gedeelte daarvan) waaraan bedoelde verbeterings aangebring is gedurende die betrokke jaar van aanslag ingevolge die Wet op Hotelle, 1965, as 'n hotel geregistreer is]**:";

(b) deur subartikels (7), (7A), (7B) en (8) te skrap; en

(c) deur die woorde wat paragraaf *(a)* van subartikel (9) voorafgaan deur die volgende woorde te vervang:

"Die vermindering ingevolge subartikel (2) **[en die hotelgeboubeleggingsvermindering ingevolge subartikel (7)]** word nie toegestaan nie ten opsigte van—".

section 12A(2), or section 12B, or section 12C, or section 13(1), or section 13(1) as applied by section 13(4) or (8), or section 13*bis*(1), (2) or (3), or section 13*ter*(2) or (3), or section 14(1)*(a)* or *(b)*, or the corresponding provisions of any previous Income Tax Act, or section 14*bis*(1)*(a)*, **[or]** *(b)* or *(c)*, or section 24F, or section 24G, or section 27(2)*(b)* or *(d)*, to any amount or the value of any advantage accruing to the taxpayer in respect of the sale or other disposal of such building, shipbuilding structure, improvements, residential unit, permanent work, road pavement, ancillary service, machinery, plant, implements, utensils or articles:"; and

(c) by the deletion of paragraph *(u*A*)*.

Amendment of section 12C of Act 58 of 1962, as inserted by section 14 of Act 101 of 1990 and amended by section 11 of Act 113 of 1993 and section 7 of Act 140 of 1993

11. Section 12C of the principal Act is hereby amended by the addition of the following subsection:

"(6) Any expenditure (other than expenditure referred to in section 11*(a)*) incurred by a taxpayer during any year of assessment in moving an asset in respect of which a deduction was allowed or is allowable under this section or section 12B from one location to another shall—

(a) where the taxpayer is entitled to a deduction in respect of such asset under subsection (1) in that year and one or more succeeding years, be allowed to be deducted from his income in equal instalments in each year in which such a deduction is allowable; or

(b) in any other case, be allowed to be deducted from his income in that year.".

Amendment of section 13*bis* of Act 58 of 1962, as inserted by section 15 of Act 88 of 1965 and amended by section 18 of Act 55 of 1966, section 14 of Act 95 of 1967, section 14 of Act 88 of 1971, section 14 of Act 69 of 1975, section 13 of Act 94 of 1983, section 46 of Act 97 of 1986, section 13 of Act 90 of 1988 and section 13 of Act 113 of 1993

12. Section 13*bis* of the principal Act is hereby amended—

(a) by the substitution for paragraph *(e)* of subsection (1) of the following paragraph:

"*(e)* of such portion of any building improvements (other than repairs and other than improvements in respect of the cost of which, or of any portion thereof, an allowance under the preceding provisions of this subsection is or was deductible from the income of the taxpayer for the current or any previous year of assessment) commenced on or after 1 January 1964, as was during the year of assessment in question used by the taxpayer for the purposes of his trade of hotelkeeper or was during the year of assessment in question let by the taxpayer and used by the lessee for the purposes of the lessee's trade of hotelkeeper **[provided the building (or a portion thereof) to which such improvements were effected was during the year of assessment in question registered as an hotel under the Hotels Act, 1965]**:";

(b) by the deletion of subsections (7), (7A), (7B) and (8); and

(c) by the substitution for the words preceding paragraph *(a)* of subsection (9) of the following words:

"The allowance under subsection (2) **[and the hotel building investment allowance under subsection (7)]** shall not be granted in respect of—".

Herroeping van artikel 16 van Wet 58 van 1962

13. Artikel 16 van die Hoofwet word hierby herroep.

Herroeping van artikel 18B van Wet 58 van 1962

14. Artikel 18B van die Hoofwet word hierby herroep.

Wysiging van artikel 23 van Wet 58 van 1962, soos gewysig deur artikel 18 van Wet 65 van 1973, artikel 20 van Wet 121 van 1984, artikel 23 van Wet 129 van 1991, artikel 20 van Wet 141 van 1992 en artikel 18 van Wet 113 van 1993

15. Artikel 23 van die Hoofwet word hierby gewysig—

(a) deur subparagrawe (i) en (ii) van paragraaf *(b)* deur onderskeidelik die volgende subparagrawe te vervang:

"(i) sy inkomste uit daardie diens of amp hoofsaaklik verkry word uit kommissie of ander wisselende betalings wat op die belastingpligtige se werkprestasie gebaseer is en sy pligte hoofsaaklik verrig word andersins as in 'n kantoor wat aan hom voorsien word deur sy werkgewer; **[en]** of

(ii) sy pligte hoofsaaklik verrig word **[andersins as]** in **['n kantoor wat aan hom voorsien word deur sy werkgewer]** bedoelde gedeelte;"; en

(b) deur subparagraaf (i) van paragraaf *(i)* deur die volgende subparagraaf te vervang:

"(i) die onthaalonkoste wat ingevolge die bepalings van artikel 11*(u)* **[of *(u*A*)*]** van die belastingpligtige se inkomste afgetrek kan word; of".

Wysiging van artikel 23B van Wet 58 van 1962, soos ingevoeg deur artikel 25 van Wet 129 van 1991

16. (1) Artikel 23B van die Hoofwet word hierby gewysig—

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

"(1) Waar, by ontstentenis van die bepalings van hierdie **[artikel]** subartikel, 'n bedrag vir 'n aftrekking of vermindering ingevolge meer as een bepaling van hierdie Wet kwalifiseer of gekwalifiseer het, word 'n aftrekking of vermindering ten opsigte van bedoelde bedrag, of enige gedeelte daarvan, nie meer as een keer by die vasstelling van 'n persoon se belasbare inkomste toegestaan nie."; en

(b) deur die volgende subartikel by te voeg:

"(3) Geen aftrekking word ingevolge artikel 11*(a)* of *(b)* toegestaan nie ten opsigte van enige onkoste of verlies van 'n soort ten opsigte waarvan 'n aftrekking of vermindering ingevolge 'n ander bepaling van hierdie Wet toegestaan mag word, ondanks dat bedoelde ander bepaling 'n beperking op die bedrag van bedoelde aftrekking of vermindering plaas.".

(2) Subartikel (1) word geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 1 Januarie 1990 eindig.

Invoeging van artikel 23F in Wet 58 van 1962

17. Die volgende artikel word hierby in die Hoofwet na artikel 23E ingevoeg:

"Verkryging van handelsvoorraad

23F. Waar 'n belastingpligtige gedurende 'n jaar van aanslag onkoste aangegaan het vir die verkryging van handelsvoorraad wat nóg gedurende bedoelde jaar deur hom van die hand gesit is nóg aan die einde van bedoelde jaar deur hom besit word, word enige aftrekking wat kragtens die bepalings van artikel 11*(a)* of *(b)* ten opsigte van bedoelde onkoste aan hom toegestaan mag word nie in bedoelde jaar toegestaan nie, maar word bedoelde onkoste by die

Repeal of section 16 of Act 58 of 1962

13. Section 16 of the principal Act is hereby repealed.

Repeal of section 18B of Act 58 of 1962

14. Section 18B of the principal Act is hereby repealed.

Amendment of section 23 of Act 58 of 1962, as amended by section 18 of Act 65 of 1973, section 20 of Act 121 of 1984, section 23 of Act 129 of 1991, section 20 of Act 141 of 1992 and section 18 of Act 113 of 1993

15. Section 23 of the principal Act is hereby amended—

(a) by the substitution for subparagraphs (i) and (ii) of paragraph *(b)* of the following subparagraphs, respectively:

"(i) his income from such employment or office is derived mainly from commission or other variable payments which are based on the taxpayer's work performance and his duties are mainly performed otherwise than in an office which is provided to him by his employer; **[and]** or

(ii) his duties are mainly performed **[otherwise than]** in **[an office which is provided to him by his employer]** such part;"; and

(b) by the substitution for subparagraph (i) of paragraph *(i)* of the following subparagraph:

"(i) such entertainment expenditure as may be deducted from the income of such taxpayer under the provisions of section 11*(u)* **[or *(u*A*)*]**; or".

Amendment of section 23B of Act 58 of 1962, as inserted by section 25 of Act 129 of 1991

16. (1) Section 23B of the principal Act is hereby amended—

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

"(1) Where, but for the provisions of this **[section]** subsection, an amount qualifies or has qualified for a deduction or an allowance under more than one provision of this Act, a deduction or allowance in respect of such amount or any portion thereof, shall not be allowed more than once in the determination of the taxable income of any person."; and

(b) by the addition of the following subsection:

"(3) No deduction shall be allowed under section 11*(a)* or *(b)* in respect of any expenditure or loss of a type for which a deduction or allowance may be granted under any other provision of this Act, notwithstanding that such other provision may impose any limitation on the amount of such deduction or allowance.".

(2) Subsection (1) shall be deemed to have come into operation as from the commencement of years of assessment ending on or after 1 January 1990.

Insertion of section 23F in Act 58 of 1962

17. The following section is hereby inserted in the principal Act after section 23E:

"Acquisition of trading stock

23F. Where any taxpayer has during any year of assessment incurred expenditure for the acquisition of trading stock which was neither disposed of by him during such year nor held by him at the end of such year, any deduction which may be allowed to him under the provisions of section 11*(a)* or *(b)* in respect of such expenditure shall not be allowed in such year, but such expenditure shall for the

toepassing van bedoelde bepalings geag deur hom aangegaan te gewees het in die eerste daaropvolgende jaar van aanslag waarin—

(a) bedoelde handelsvoorraad deur hom van die hand gesit word;

(b) die waarde van bedoelde handelsvoorraad kragtens die bepalings van artikel 22(1) by sy inkomste in rekening gebring staan te word; of

(c) daar deur hom bewys word dat omrede die verlies of vernietiging van bedoelde handelsvoorraad of die beëindiging van die ooreenkoms ingevolge waarvan bedoelde handelsvoorraad deur hom verkry is of om enige ander rede, bedoelde handelsvoorraad nóg deur hom van die hand gesit sal word nóg deur hom besit sal word.".

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

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

(a) deur die volgende omskrywing na die omskrywing van "buitelandse valuta-opsiekontrak" in subartikel (1) in te voeg:

" 'geaffekteerde valutatermynkontrak' 'n valutatermynkontrak wat gedurende 'n jaar van aanslag deur 'n persoon aangegaan is om as dekking te dien ten opsigte van—

(a) 'n lening, voorskot of skuld, waar—

(i) bedoelde lening of voorskot nog nie verkry is of bedoelde skuld nog nie aangegaan is gedurende bedoelde jaar van aanslag nie; en

(ii) bedoelde lening, voorskot of skuld aangewend staan te word soos beoog in subartikel (7)*(a)* ingevolge 'n ooreenkoms wat deur bedoelde persoon voor die einde van bedoelde jaar van aanslag aangegaan is vir die verkryging, installasie, oprigting, konstruksie, uitdink, ontwikkeling, skepping, voortbrenging of herstel van 'n bate (hetsy liggaamlik of onliggaamlik) soos beoog in daardie subartikel; of

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

(b) deur subparagraaf (ii) van paragraaf *(b)* van die omskrywing van "heersende wisselkoers" in subartikel (1) deur die volgende subparagraaf te vervang:

"(ii) die datum waarop dit omgereken word, die markverwante termynkoers wat vir die oorblywende tydperk van bedoelde valutatermynkontrak beskikbaar is, of in die geval waar die termynkoers ingevolge bedoelde valutatermynkontrak gebruik is om 'n lening, voorskot of skuld soos beoog in paragraaf *(a)*(ii) om te reken, die termynkoers ingevolge bedoelde kontrak, of met betrekking tot 'n geaffekteerde valutatermynkontrak die termynkoers ingevolge bedoelde geaffekteerde valutatermynkontrak;";

(c) deur die volgende voorbehoudsbepaling by die omskrywing van "heersende wisselkoers" in subartikel (1) te voeg:

"Met dien verstande dat die Kommissaris, met inagneming van die besondere omstandighede van 'n geval, 'n alternatiewe koers vir enige van die voorafgemelde voorgeskrewe koerse mag voorskryf vir gebruik deur 'n persoon in bedoelde besondere omstandighede, indien bedoelde alternatiewe koers vir rekeningkundige doeleindes gebruik word ingevolge algemeen aanvaarde rekeningkundige praktyk;";

(d) deur paragraaf *(b)* van die omskrywing van "valuta-item" in subartikel (1) deur die volgende paragraaf te vervang:

"*(b)* aan 'n persoon verskuldig ten opsigte van 'n lening of voorskot of 'n skuld deur 'n ander persoon aan bedoelde persoon betaalbaar, welke lening, voorskot of skuld 'n valuta-eenheid insluit wat deur bedoelde persoon gehou word vir sy eie voordeel of deur enige ander persoon ten behoewe van bedoelde persoon;";

purposes of such provisions be deemed to have been incurred by him in the first subsequent year of assessment in which—

(a) such trading stock is disposed of by him;

(b) the value of such trading stock falls to be included in his income under the provisions of section 22(1); or

(c) it is shown by him that by reason of the loss or destruction of such trading stock or the termination of the agreement in terms of which such trading stock was acquired by him or for any other reason, such trading stock will neither be disposed of nor held by him.".

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

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

(a) by the insertion after the definition of "acquisition rate" in subsection (1) of the following definition:

" 'affected forward exchange contract' means any forward exchange contract which has been entered into by any person during any year of assessment, to serve as a hedge in respect of—

(a) a loan, advance or debt, where—

(i) such loan or advance has not yet been obtained or such debt has not yet been incurred by such person during such year of assessment; and

(ii) such loan, advance or debt is to be utilized as contemplated in subsection (7)*(a)* in terms of an agreement entered into by such person prior to the end of such year of assessment for the acquisition, installation, construction, devise, development, creation, production or restoration of any asset (whether corporeal or incorporeal) as contemplated in that subsection; or

(b) interest to be incurred in respect of a loan or advance obtained or to be obtained or a debt incurred or to be incurred as contemplated in subsection (7)*(a)*;";

(b) by the substitution for paragraph *(b)* of the definition of "exchange item" in subsection (1) of the following paragraph:

"*(b)* owing to a person in respect of a loan or advance or a debt payable by another person to such person, which loan, advance or debt shall include a unit of currency held by such person for its own benefit or by any other person on behalf of such person;";

(c) by the substitution for subparagraph (ii) of paragraph *(b)* of the definition of "ruling exchange rate" in subsection (1) of the following subparagraph:

"(ii) the date it is translated, the market-related forward rate available for the remaining period of such forward exchange contract, or in the case where the forward rate in terms of such forward exchange contract has been used to translate a loan, advance or debt as contemplated in paragraph *(a)*(ii), the forward rate in terms of such contract, or in respect of an affected forward exchange contract, the forward rate in terms of such affected forward exchange contract;";

(d) by the addition to the definition of "ruling exchange rate" in subsection (1) of the following proviso:

"Provided that the Commissioner may, having regard to the particular circumstances of the case, prescribe an alternative rate to any of the aforementioned prescribed rates to be applied by a person in such particular circumstances, if such alternative rate is used for accounting purposes in terms of generally accepted accounting practice;";

(e) deur subartikels (4) en (5) deur onderskeidelik die volgende subartikels te vervang:

"(4) By die vasstelling van die belasbare inkomste deur 'n persoon verkry uit die beoefening deur hom van 'n bedryf in die Republiek, word daar ten opsigte van enige jaar van aanslag wat op of na 1 Januarie 1994 eindig, by of van aldus verkreë inkomste, na gelang van die geval, ingesluit of afgetrek—

(a) (i) enige premie of soortgelyke vergoeding ontvang of ontvangbaar deur, of betaal of betaalbaar deur, bedoelde persoon ingevolge 'n buitelandse valuta-opsiekontrak deur bedoelde persoon in die loop van bedoelde bedryf aangegaan; of

[*(b)***]** (ii) enige vergoeding betaal of betaalbaar deur bedoelde persoon ten opsigte van 'n buitelandse valuta-opsiekontrak deur bedoelde persoon in die loop van bedoelde bedryf verkry; en

(b) enige diskonto wat aan bedoelde persoon toegeval het of enige premie wat deur hom aangegaan is ten opsigte van 'n valutatermynkontrak waar—

(i) bedoelde valutatermynkontrak deur bedoelde persoon aangegaan is in die loop van bedoelde bedryf as 'n verwante of ooreenstemmende valutatermynkontrak om as dekking te dien ten opsigte van 'n lening, voorskot of skuld, wat deur bedoelde persoon aangewend is of aangewend staan te word vir die verkryging van 'n bate of vir die finansiering van 'n onkoste in die loop van bedoelde bedryf, of om as dekking te dien ten opsigte van 'n lening, voorskot of skuld wat ontstaan uit die verkoop van enige bate of die lewering van enige dienste in die loop van bedoelde bedryf; en

(ii) bedoelde lening, voorskot of skuld op transaksiedatum teen die termynkoers te boek gestel is ingevolge bedoelde valutatermynkontrak, maar bedoelde bate wat aldus verkry is of bedoelde uitgawe wat aldus gefinansier is, of bedoelde bate aldus verkoop of dienste wat aldus gelewer is, teen die kontantkoers of 'n alternatiewe koers soos wat die Kommissaris mag voorgeskryf het ingevolge die omskrywing van 'heersende wisselkoers', te boek gestel is:

Met dien verstande dat bedoelde diskonto of premie by die toepassing van hierdie paragraaf geag word toe te geval het of aangegaan te gewees het, na gelang van die geval, op 'n dag-tot-dag-grondslag gedurende die tydperk van bedoelde valutatermynkontrak.

(5) Waar gedurende enige jaar van aanslag 'n premie of diskonto op 'n valutatermynkontrak in 'n valutaverskil ten opsigte van 'n lening, voorskot of skuld ingesluit is, waar bedoelde valutaverskil ontstaan het vanweë die feit dat bedoelde lening, voorskot of skuld—

(a) teen die termynkoers soos beoog in paragraaf *(a)*(ii) van die omskrywing van 'heersende wisselkoers' of 'n alternatiewe koers wat die Kommissaris ingevolge daardie omskrywing mag voorgeskryf het, omgereken is; en

(b) (i) gedurende daardie jaar van aanslag teen die kontantkoers op transaksiedatum soos beoog in paragraaf *(a)*(i) van daardie omskrywing te boek gestel is; of

(ii) aan die einde van die onmiddellik voorafgaande jaar van aanslag teen die kontantkoers op omrekeningsdatum soos beoog in paragraaf *(a)*(ii) van daardie omskrywing omgereken is; of

(iii) aan die einde van die onmiddellik voorafgaande jaar van aanslag teen die termynkoers soos beoog in paragraaf *(a)*(ii) van daardie omskrywing omgereken is, maar bedoelde termynkoers van die termynkoers beoog in paragraaf *(a)* van hierdie **[omskrywing]** subartikel verskil; of

(iv) op enige van die datums beoog in subparagraaf (i), (ii) of (iii) te boek gestel of omgereken is, na gelang van die geval, teen 'n alternatiewe koers as wat die Kommissaris mag voorgeskryf het ingevolge die omskrywing van 'heersende wisselkoers',

(e) by the substitution for subsections (4) and (5) of the following subsections, respectively:

"(4) In determining the taxable income of any person derived from carrying on any trade by him within the Republic, there shall in respect of any year of assessment ending on or after 1 January 1994 be included in or deducted from the income so derived, as the case may be—

(a) (i) any premium or like consideration received or receivable by, or paid or payable by, such person in terms of a foreign currency option contract entered into by such person in the course of such trade; or

[*(b)***]** (ii) any consideration paid or payable by such person in respect of a foreign currency option contract acquired by such person in the course of such trade; and

(b) any discount which accrued to such person or any premium incurred by him in respect of any forward exchange contract, where—

(i) such forward exchange contract was entered into by such person in the course of such trade as a related or matching forward exchange contract to serve as a hedge in respect of any loan, advance or debt utilized or to be utilized by such person to acquire any asset or to finance any expense in the course of such trade, or to serve as a hedge in respect of any loan, advance or debt arising from the sale of any asset or the supply of any services in the course of such trade; and

(ii) such loan, advance or debt was recorded on transaction date at the forward rate in terms of such forward exchange contract, but such asset so acquired or such expense so financed, or such asset so sold or services so supplied, was recorded at the spot rate or an alternative rate as the Commissioner may have prescribed in terms of the definition of 'ruling exchange rate':

Provided that such discount or premium shall be deemed to have accrued or been incurred, as the case may be, on a day to day basis during the period of such forward exchange contract for the purposes of this paragraph.

(5) Where during any year of assessment any premium or discount on a forward exchange contract is included in any exchange difference in respect of any loan, advance or debt, where such exchange difference arose by reason of such loan, advance or debt having been—

(a) translated at the forward rate as contemplated in paragraph *(a)*(ii) of the definition of 'ruling exchange rate' or an alternative rate as the Commissioner may have prescribed in terms of that definition; and

(b) (i) recorded during that year of assessment at the spot rate on transaction date as contemplated in paragraph *(a)*(i) of that definition; or

(ii) translated at the end of the immediately preceding year of assessment at the spot rate on translation date as contemplated in paragraph *(a)*(ii) of that definition; or

(iii) translated at the end of the immediately preceding year of assessment at the forward rate as contemplated in paragraph *(a)*(ii) of that definition, but such forward rate differs from the forward rate contemplated in paragraph *(a)* of this **[definition]** subsection; or

(iv) recorded or translated, as the case may be, on any of the dates contemplated in subparagraph (i), (ii) or (iii) at an alternative rate as the Commissioner may have prescribed in terms of the definition of 'ruling exchange rate',

word bedoelde premie of diskonto op bedoelde valutatermynkontrak wat aldus by bedoelde valutaverskil ingesluit is, geag aangegaan te gewees het of toe te geval het, na gelang van die geval, op 'n dag-tot-dag-grondslag gedurende die tydperk van bedoelde valutatermynkontrak en word bedoelde premie of diskonto, by die toepassing van subartikel (2), op bedoelde grondslag by 'n persoon se inkomste ingesluit of afgetrek.";

(f) deur die woorde wat op paragraaf *(c)* van subartikel (7) volg deur die volgende woorde te vervang:

"waar bedoelde valutaverskil ontstaan of bedoelde premie of ander vergoeding betaal is of betaalbaar geword het in 'n jaar van aanslag voor die jaar van aanslag waartydens bedoelde masjinerie, installasie, gereedskap, werktuig, gebou, verbeterings aan 'n gebou, uitvinding, patent, model, handelsmerk, outeursreg of ander soortgelyke eiendom of kennis in gebruik geneem was of is vir doeleindes van bedoelde persoon se bedryf, oorgedra en in berekening gebring by die vasstelling van die belasbare inkomste van bedoelde persoon in die jaar van aanslag waartydens bedoelde masjinerie, installasie, gereedskap, werktuig, gebou, verbeterings aan enige gebou, uitvinding, patent, model, handelsmerk, outeursreg, of ander soortgelyke eiendom of kennis in gebruik geneem was of is vir doeleindes van bedoelde persoon se bedryf."; en

(g) deur die volgende subartikel na subartikel (7) in te voeg:

"(7A)*(a)* Waar 'n valutaverskil ingevolge subartikel (2) by die inkomste van 'n maatskappy ingesluit of afgetrek staan te word, word in plaas van sodanige aftrekking of insluiting, 'n bedrag gelykstaande aan 10 persent van die uitgestelde bedrag van bedoelde valutaverskil wat ontstaan uit 'n lening of voorskot deur bedoelde maatskappy aan 'n ander maatskappy verskuldig of 'n lening of voorskot deur 'n ander maatskappy aan bedoelde maatskappy verskuldig (bedoelde lening of voorskot by die toepassing van hierdie artikel verwys na as 'n kwalifiserende valuta-item), by die inkomste van bedoelde maatskappy ingesluit of afgetrek, na gelang van die geval, indien—

(i) bedoelde maatskappy 'n verbonde persoon met betrekking tot bedoelde ander maatskappy is; en

(ii) die kwalifiserende valuta-item van 'n kapitale aard is.

(b) Die uitgestelde bedrag van 'n valutaverskil is, behoudens paragrawe *(c)*, *(d)* en *(e)*, die totaal van—

(i) die buitelandse valuta-wins of buitelandse valuta-verlies soos vasgestel ingevolge hierdie artikel gedurende 'n jaar van aanslag met betrekking tot 'n kwalifiserende valuta-item, indien bedoelde buitelandse valuta-wins of buitelandse valuta-verlies as gevolg van die omrekening van bedoelde kwalifiserende valuta-item aan die einde van bedoelde jaar van aanslag ontstaan het; en

(ii) die restant van 'n buitelandse valuta-wins of buitelandse valuta-verlies met betrekking tot 'n kwalifiserende valuta-item wat as gevolg van die omrekening van bedoelde valuta-item gedurende 'n voorafgaande jaar van aanslag ontstaan het, wat nie ingevolge paragraaf *(a)* gedurende bedoelde voorafgaande jaar van aanslag ingesluit is by of afgetrek is van die inkomste van bedoelde maatskappy nie.

(c) Die buitelandse valuta-wins of buitelandse valuta-verlies bedoel in paragraaf *(b)*(i) sluit uit—

(i) ten opsigte van alle jare van aanslag wat op of voor 31 Desember 1995 eindig, 'n buitelandse valuta-verlies ten opsigte van 'n lening of voorskot wat deur bedoelde maatskappy aan 'n ander maatskappy of deur 'n ander maatskappy aan bedoelde maatskappy op of voor 31 Desember 1994, gemaak is; en

(ii) 'n buitelandse valuta-wins of buitelandse valuta-verlies wat ontstaan ten opsigte van 'n kwalifiserende valuta-item aan die einde van 'n jaar van aanslag vir sover bedoelde valuta-item deur 'n verwante of ooreenstemmende valutatermynkontrak gedek word.

(d) Die restant van 'n buitelandse valuta-wins of buitelandse valuta-

such premium or discount on such forward exchange contract which is so included in such exchange difference, shall be deemed to have been incurred or accrued, as the case may be, on a day to day basis during the period of such forward exchange contract and such premium or discount shall, for the purposes of subsection (2), be included in or deducted from a person's income on such basis.";

(f) by the substitution for the words following upon paragraph *(c)* of subsection (7) of the following words:

"shall, where such exchange difference arose or such premium or other consideration was paid or became payable in a year of assessment prior to the year of assessment during which such machinery, plant, implement, utensil, building, improvements to any building, invention, patent, design, trade mark, copyright or other similar property or knowledge was or is brought into use for the purposes of such person's trade, be carried forward and be taken into account in the determination of the taxable income of such person in the year of assessment during which such machinery, plant, implement, utensil, building, improvements to any building, invention, patent, design, trade mark, copyright or other similar property or knowledge was or is so brought into use for the purposes of such person's trade."; and

(g) by the insertion after subsection (7) of the following subsection:

"(7A)*(a)* Where any exchange difference is to be included in or deducted from the income of any company in terms of subsection (2), there shall, in lieu of such deduction or inclusion, be included in or deducted, as the case may be, from the income of such company during any year of assessment an amount equal to 10 per cent of the deferred amount of such exchange difference arising from a loan or advance owing by such company to any other company or a loan or advance owing by any other company to such company (such a loan or advance referred to as a qualifying exchange item for the purposes of this subsection), if—

(i) such company is a connected person in relation to such other company; and

(ii) the qualifying exchange item is of a capital nature.

(b) The deferred amount of any exchange difference shall, subject to the provisions of paragraphs *(c)*, *(d)* and (e), be the sum of—

(i) the foreign exchange gain or foreign exchange loss as determined in terms of this section during any year of assessment in respect of any qualifying exchange item if such foreign exchange gain or foreign exchange loss arose as a result of the translation of such qualifying exchange item at the end of such year of assessment; and

(ii) the balance of any foreign exchange gain or foreign exchange loss, in respect of any qualifying exchange item which had arisen as a result of the translation of such qualifying exchange item during any preceding year of assessment, not included in or deducted from the income of such company in terms of paragraph *(a)* during such preceding year of assessment.

(c) The foreign exchange gain and foreign exchange loss referred to in paragraph *(b)*(i) shall exclude—

(i) in respect of all years of assessment ending on or before 31 December 1995, any foreign exchange loss in respect of any loan or advance made by such company to any other company or by any other company to such company on or before 31 December 1994; and

(ii) any foreign exchange gain or foreign exchange loss arising in respect of any qualifying exchange item at the end of any year of assessment to the extent to which such qualifying exchange item is hedged by a related or matching forward exchange contract.

(d) The balance of any foreign exchange gain or foreign exchange

verlies ten opsigte van 'n kwalifiserende valuta-item bedoel in paragraaf *(b)*(ii) word—

(i) waar die buitelandse valutabedrag van 'n kwalifiserende valuta-item, vir sover dit nie deur 'n verwante of ooreenstemmende valutatermynkontrak gedek word nie, aan die einde van 'n jaar van aanslag minder is as die buitelandse valutabedrag van bedoelde kwalifiserende valuta-item, vir sover dit nie deur 'n verwante of ooreenstemmende valutatermynkontrak gedek word nie, aan die einde of die onmiddellike voorafgaande jaar van aanslag, verminder met 'n bedrag wat in dieselfde verhouding staan tot bedoelde restant as wat die vermindering in die buitelandse valutabedrag van bedoelde kwalifiserende valuta-item wat nie aldus gedek word nie aan die einde van bedoelde jaar van aanslag, staan tot die buitelandse valutabedrag van bedoelde kwalifiserende valuta-item wat nie aldus gedek word aan die einde van bedoelde onmiddellike voorafgaande jaar van aanslag; of

(ii) verminder word met 100 persent van bedoelde restant in die eerste jaar van aanslag waarin daar nie aan die bepalings van paragraaf *(a)* voldoen word nie.

(e) Waar 'n kwalifiserende valuta-item (hierna verwys as 'n ou kwalifiserende valuta-item) gedurende 'n jaar van aanslag gerealiseer word deur omskakeling daarvan na 'n kwalifiserende valuta-item aangedui in 'n ander buitelandse geldeenheid (hierna verwys as 'n nuwe kwalifiserende valuta-item) word—

(i) enige valutaverskil wat ontstaan as gevolg van bedoelde omskakeling, by die toepassing van paragraaf *(b)*(i) geag 'n uitgestelde bedrag van 'n valutaverskil ten opsigte van bedoelde ou kwalifiserende valuta-item te wees;

(ii) die buitelandse valutabedrag van bedoelde ou kwalifiserende valuta-item, by die toepassing van paragraaf *(d)* geag nie tydens realisasie verminder te gewees het nie vir sover dit na 'n nuwe kwalifiserende valuta-item omgeskakel is en daarna word die ou kwalifiserende valuta-item en die nuwe kwalifiserende valuta-item geag een en dieselfde kwalifiserende valuta-item te wees en 'n vermindering in die buitelandse valutabedrag van die nuwe kwalifiserende valuta-item word 'n vermindering van die ou kwalifiserende valuta-item geag te wees; en

(iii) die buitelandse valutabedrag van die ou kwalifiserende valuta-item aan die einde van die onmiddellike voorafgaande jaar van aanslag by die toepassing van paragraaf *(d)* in die buitelandse geldeenheid van die nuwe kwalifiserende valuta-item herstateer, deur die toepaslike wisselkoers wat gebruik is om die ou kwalifiserende valuta-item na die nuwe kwalifiserende valuta-item om te skakel, te gebruik.

(f) Enige vermindering van die restant van 'n buitelandse valuta-wins of buitelandse valuta-verlies ten opsigte van 'n kwalifiserende valuta-item ingevolge paragraaf *(d)* word ingesluit by of afgetrek van, na gelang van die geval, die inkomste van bedoelde maatskappy gedurende die jaar van aanslag van bedoelde vermindering.".

(2) Subartikel (1) word geag in werking te getree het ten opsigte van jare van aanslag wat op of na 1 Januarie 1994 eindig.

Wysiging van artikel 28 van Wet 58 van 1962, soos gewysig deur artikel 17 van Wet 90 van 1962, artikel 22 van Wet 55 van 1966, artikel 24 van Wet 89 van 1969, artikel 21 van Wet 88 van 1971, artikel 19 van Wet 65 van 1973, artikel 16 van Wet 103 van 1976, artikel 19 van Wet 91 van 1982, artikel 22 van Wet 94 van 1983, artikel 17 van Wet 65 van 1986, artikel 23 van Wet 90 van 1988, artikel 13 van Wet 70 van 1989, artikel 25 van Wet 101 van 1990, artikel 29 van Wet 129 van 1991 en artikel 24 van Wet 113 van 1993

19. (1) Artikel 28 van die Hoofwet word hierby gewysig—

(a) deur die volgende item by subparagraaf (i) van paragraaf *(b)* van subartikel (1) te voeg:

loss in respect of any qualifying exchange item referred to in paragraph *(b)*(ii) shall—

(i) where the foreign currency amount of a qualifying exchange item, to the extent to which it is not hedged by a related or matching forward exchange contract, at the end of any year of assessment is less than the foreign currency amount of such qualifying exchange item, to the extent to which it was not hedged by a matching or related forward exchange contract, as at the end of the immediately preceding year of assessment, be reduced by an amount which bears to such balance the same ratio as the reduction in the foreign currency amount of such qualifying exchange item which is not so hedged at the end of such year of assessment bears to the foreign currency amount of such qualifying exchange item which was not so hedged at the end of such immediately preceding year of assessment; or

(ii) be reduced by 100 per cent of such balance in the first year of assessment during which the provisions of paragraph *(a)* have not been complied with.

(e) Where any qualifying exchange item (hereinafter referred to as the old qualifying exchange item) is realized during the year of assessment by conversion thereof into a qualifying exchange item denominated in any other foreign currency (hereinafter referred to as the new qualifying exchange item)—

(i) any exchange difference arising as a result of such conversion shall, for the purposes of paragraph *(b)*(i), be deemed to be a deferred amount of any exchange difference in respect of such old qualifying exchange item;

(ii) the foreign currency amount of such old qualifying exchange item shall, for the purposes of paragraph *(d)*, be deemed not to have been reduced on realization to the extent that it was converted into a new qualifying exchange item and, thereafter, the old qualifying exchange item and the new qualifying exchange item shall be deemed to be one and the same qualifying exchange item and a reduction of the foreign currency amount of the new qualifying exchange item shall be deemed to be a reduction of the old qualifying exchange item; and

(iii) the foreign currency amount of the old qualifying exchange item at the end of such immediately preceding year of assessment shall for the purposes of paragraph *(d)* be restated in the foreign currency in which the new qualifying exchange item is denominated by applying the appropriate exchange rate used to convert the old qualifying exchange item to the new qualifying exchange item.

(f) Any reduction in terms of paragraph *(d)* of the balance of any foreign exchange gain or foreign exchange loss in respect of a qualifying exchange item shall be included in or deducted from, as the case may be, the income of such company in the year of assessment of such reduction.".

(2) Subsection (1) shall be deemed to have come into operation in respect of years of assessment ending on or after 1 January 1994.

Amendment of section 28 of Act 58 of 1962, as amended by section 17 of Act 90 of 1962, section 22 of Act 55 of 1966, section 24 of Act 89 of 1969, section 21 of Act 88 of 1971, section 19 of Act 65 of 1973, section 16 of Act 103 of 1976, section 19 of Act 91 of 1982, section 22 of Act 94 of 1983, section 17 of Act 65 of 1986, section 23 of Act 90 of 1988, section 13 of Act 70 of 1989, section 25 of Act 101 of 1990, section 29 of Act 129 of 1991 and section 24 of Act 113 of 1993

19.(1) Section 28 of the principal Act is hereby amended—

(a) by the addition to subparagraph (i) of paragraph *(b)* of subsection (1) of the following item:

"(E) bedrae verkry uit die belegging van fondse gehou deur die versekeraar in sy onbelaste polishouerfonds ingevolge artikel 29(4)*(a)*; en"; en

(b) deur die woorde wat op subparagraaf (ii) van paragraaf *(c)* van subartikel (1) volg deur die volgende woorde te vervang:

"(behalwe enige bedoelde uitgawes wat betrekking het op bedrae in items (A) tot **[(D)]** (E) van paragraaf *(b)*(i) bedoel en uitgawes bedoel in subartikel (1A) wat oorbly nadat van genoemde totaal 'n bedrag afgetrek is wat tot genoemde totaal in dieselfde verhouding staan as die verhouding waarin soveel van enige dividende wat uitgesluit is soos in die voorgaande bepalings van hierdie paragraaf beoog, staan tot die som van die bruto bedrae beoog in hierdie paragraaf (voor die aftrekking van genoemde dividende).".

(2) Subartikel (1) word geag in werking te getree het vanaf die begin van jare van aanslag beginnende op of na 1 Julie 1993.

Herroeping van artikel 30 van Wet 58 van 1962

20. (1) Artikel 30 van die Hoofwet word hierby herroep.

(2) Subartikel (1) tree in werking vanaf die begin van jare van aanslag beginnende op of na 1 Januarie 1995.

Wysiging van artikel 35 van Wet 58 van 1962, soos gewysig deur artikel 20 van Wet 90 van 1962, artikel 20 van Wet 65 van 1973, artikel 27 van Wet 85 van 1974 en artikel 24 van Wet 94 van 1983

21. (1) Artikel 35 van die Hoofwet word hierby gewysig deur die woorde wat die voorbehoudsbepaling by paragraaf *(a)* van subartikel (2) voorafgaan deur die volgende woorde te vervang:

" 'n Persoon wat 'n verpligting oploop om aan 'n ander persoon (behalwe 'n persoon wat gewoonlik in die Republiek woonagtig is of 'n **[binnelandse]** maatskappy wie se plek van effektiewe bestuur binne die Republiek geleë is) 'n in artikel 9(1)*(b)* of *(b*A*)* bedoelde bedrag te betaal, of wat betaling van so 'n bedrag ten behoewe van daardie ander persoon ontvang, moet binne 14 dae na die end van die maand waartydens hy dié verpligting oploop of dié betaling ontvang, na gelang van die geval, of binne die verdere tydperk wat die Kommissaris mag goedkeur, 'n bedrag (wat geag word 'n vooruitbetaling ten behoewe van daardie ander persoon te wees) aan die Kommissaris betaal ten opsigte van daardie ander persoon se aanspreeklikheid vir die betaling van normale belasting vir die jaar van aanslag waartydens genoemde bedrag aan daardie ander persoon toeval of deur hom ontvang word, bereken **[op 'n som gelyk aan 30]** teen die skaal van 12 persent van genoemde bedrag **[teen die belastingskaal (met uitsondering van 'n leningsgedeelte) van toepassing op die belasbare inkomste (behalwe belasbare inkomste uit mynbou verkry) van maatskappye]** en moet ten tyde van bedoelde belastingbetaling aan die Kommissaris 'n verklaring verstrek in die vorm wat die Kommissaris mag voorskryf:".

(2) Subartikel (1) word geag op 1 April 1994 in werking te getree het en is van toepassing op enige betalings wat op of na daardie datum gemaak is.

Herroeping van artikel 37B van Wet 58 van 1962

22. (1) Artikel 37B van die Hoofwet word hierby herroep.

(2) Subartikel (1) word geag in werking te getree het vanaf jare van aanslag beginnende op of na 1 Maart 1994.

Wysiging van artikel 42 van Wet 58 van 1962, soos gewysig deur artikel 21 van Wet 88 van 1965, artikel 17 van Wet 95 van 1967, artikel 29 van Wet 89 van 1969, artikel 19 van Wet 52 van 1970, artikel 23 van Wet 88 van 1971, artikel 18 van Wet 90 van 1972, artikel 22 van Wet 65 van 1973, artikel 32 van Wet 85 van 1974, artikel 22 van Wet 69 van 1975, artikel 18 van Wet 103 van 1976, artikel 19 van Wet 113 van 1977, artikel 20 van Wet 91 van 1982, artikel 28 van Wet 94 van 1983, artikel 31 van Wet 129 van 1991 en artikel 27 van Wet 141 van 1992

23. Artikel 42 van die Hoofwet word hierby gewysig—

"(E) amounts derived from the investment of funds held by the insurer in his untaxed policyholder fund in terms of section 29(4)*(a)*; and"; and

(b) by the substitution for the words following upon paragraph *(c)* of subsection (1) of the following words:

"(other than any such expenditure which relates to amounts contemplated in items (A) to **[(D)]** (E) of paragraph *(b)*(i) and expenditure referred to in subsection (1A)) as remains after deducting from the said total an amount which bears to the said total the same ratio as so much of any dividends which have been excluded as contemplated in the foregoing provisions of this paragraph bears to the sum of the gross amounts contemplated in this paragraph (before the deduction of the said dividends).".

(2) Subsection (1) shall be deemed to have come into operation as from the commencement of years of assessment commencing on or after 1 July 1993.

Repeal of section 30 of Act 58 of 1962

20.(1) Section 30 of the principal Act is hereby repealed.

(2) Subsection (1) shall come into operation as from the commencement of years of assessment commencing on or after 1 January 1995.

Amendment of section 35 of Act 58 of 1962, as amended by section 20 of Act 90 of 1962, section 20 of Act 65 of 1973, section 27 of Act 85 of 1974 and section 24 of Act 94 of 1983

21.(1) Section 35 of the principal Act is hereby amended by the substitution for the words preceding the proviso to paragraph *(a)* of subsection (2) of the following words:

"Any person who incurs a liability to pay to any other person (not being a person who is ordinarily resident in the Republic or a **[domestic]** company which has its place of effective management inside the Republic) any amount referred to in section 9(1)*(b)* or *(b*A*)*, or who receives payment of any such amount on behalf of such other person, shall within 14 days after the end of the month during which the said liability is incurred or the said payment is received, as the case may be, or within such further period as the Commissioner may approve, make a payment (which shall be deemed to be an advance payment made on behalf of such other person) to the Commissioner in respect of such other person's obligation to pay normal tax for the year of assessment during which the said amount accrues to or is received by such other person, calculated **[on a sum equal to 30]** at the rate of 12 per cent of the said amount **[at the rate of tax (excluding any loan portion) applicable to the taxable income (other than taxable income derived from mining operations) of companies]** and shall submit to the Commissioner at the time of such tax payment a declaration in such form as the Commissioner may prescribe:".

(2) Subsection (1) shall be deemed to have come into operation on 1 April 1994 and shall apply to any payments made on or after that date.

Repeal of section 37B of Act 58 of 1962

22.(1) Section 37B of the principal Act is hereby repealed.

(2) Subsection (1) shall be deemed to have come into operation as from years of assessment commencing on or after 1 March 1994.

Amendment of section 42 of Act 58 of 1962, as amended by section 21 of Act 88 of 1965, section 17 of Act 95 of 1967, section 29 of Act 89 of 1969, section 19 of Act 52 of 1970, section 23 of Act 88 of 1971, section 18 of Act 90 of 1972, section 22 of Act 65 of 1973, section 32 of Act 85 of 1974, section 22 of Act 69 of 1975, section 18 of Act 103 of 1976, section 19 of Act 113 of 1977, section 20 of Act 91 of 1982, section 28 of Act 94 of 1983, section 31 of Act 129 of 1991 and section 27 of Act 141 of 1992

23. Section 42 of the principal Act is hereby amended—

(a) deur in die Engelse teks van paragraaf *(d)* van subartikel (2) die uitdrukking "ecclesiastical" deur die uitdrukking "religious" te vervang; en

(b) deur die volgende paragraaf by subartikel (2) te voeg:

"*(l)* soveel van enige dividend verklaar wat deur 'n maatskappy wie se plek van effektiewe bestuur buite die Republiek geleë is, vanuit dividende wat aan bedoelde maatskappy toegeval het binne die ses maande wat bedoelde verklaring onmiddellik voorafgaan en ten opsigte waarvan belasting op buitelandse aandeelhouers betaal is.".

Wysiging van artikel 64B van Wet 58 van 1962, soos ingevoeg deur artikel 34 van Wet 113 van 1993 en gewysig deur artikel 12 van Wet 140 van 1993

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

(a) deur die woorde wat subparagraaf (i) van paragraaf *(a)* van die omskrywing van "dividendsiklus" in subartikel (1) voorafgaan deur die volgende woorde te vervang:

"met betrekking tot die eerste dividend verklaar deur 'n maatskappy (behalwe 'n maatskappy wat langtermynversekeringsbesigheid dryf) op of na 17 Maart 1993, die tydperk beginnende op die laatste van—";

(b) deur die woord "en" aan die einde van paragraaf *(a)* van die omskrywing van "dividendsiklus" in subartikel (1) te skrap;

(c) deur na paragraaf *(a)* van die omskrywing van "dividendsiklus" in subartikel (1) die volgende paragraaf in te voeg:

"*(aA)* met betrekking tot die eerste dividend verklaar deur 'n maatskappy wat langtermynversekeringsbesigheid dryf uit winste verkry gedurende enige jaar van aanslag beginnende op of na 1 Julie 1993, die tydperk beginnende op die laatste van—

(i) die dag wat ses maande voor die verklaring van die betrokke dividend val; en

(ii) die dag volgend op die datum van verklaring van die laaste dividend (anders as 'n dividend *in specie* of 'n dividend betaalbaar op 'n voorkeuraandeel) deur die maatskappy verklaar voor die verklaring van die bedoelde eerste dividend,

en eindigende op die datum waarop bedoelde eerste dividend aan die betrokke aandeelhouer toeval; en";

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

"(2) Daar word ten bate van die Staatsinkomstefonds 'n belasting gehef en betaal, bekend as die sekondêre belasting op maatskappye, wat bereken word teen die koers van **[15 persent]** 25 persent van die netto bedrag, soos vasgestel ingevolge subartikel (3), van 'n dividend deur 'n maatskappy op of na **[17 Maart 1993]** 22 Junie 1994 verklaar.";

(e) deur die woorde wat die voorbehoudsbepaling in subartikel (3) voorafgaan deur die volgende woorde te vervang:

"Die netto bedrag van 'n dividend bedoel in subartikel (2) is die bedrag waarmee daardie dividend deur 'n maatskappy verklaar die som van enige dividende (behalwe enige dividende beoog in subartikel (5)*(b)*, *(c)*, **[en]** *(d)* en *(f)*) wat gedurende die dividendsiklus met betrekking tot bedoelde eersgenoemde dividend aan die maatskappy toeval, oorskry:";

(f) deur die woord "en" aan die einde van paragraaf *(c)* van subartikel (5) te skrap;

(g) deur die volgende paragrawe by subartikel (5) te voeg:

"*(e)* soveel van 'n dividend verklaar deur 'n maatskappy bedoel in subartikel (12)*(e)* gedurende 'n daaropvolgende jaar van aanslag soos beoog in daardie subartikel, as wat 'n uitkering van 'n bedrag ontvang deur of toegeval aan bedoelde maatskappy as gevolg van die vervreemding van sy goudmynbates, verteenwoordig;

(f) 'n dividend verklaar deur 'n maatskappy aan 'n ander maatskappy, indien—

(i) bedoelde ander maatskappy op die datum van bedoelde verklaring al die ekwiteitsaandelekapitaal van bedoelde maatskappy tot sy eie voordeel hou;

(a) by the substitution in paragraph *(d)* of subsection (2) for the expression "ecclesiastical" of the expression "religious"; and

(b) by the addition to subsection (2) of the following paragraph:

"*(l)* so much of any dividend which is declared by a company which has its place of effective management outside the Republic out of dividends which have accrued to such company within the six months immediately preceding such declaration and in respect of which non-resident shareholders' tax has been paid.".

Amendment of section 64B of Act 58 of 1962, as inserted by section 34 of Act 113 of 1993 and amended by section 12 of Act 140 of 1993

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

(a) by the substitution for the words preceding subparagraph (i) of paragraph *(a)* of the definition of "dividend cycle" in subsection (1) of the following words:

"in relation to the first dividend declared by a company (other than a company which carries on long-term insurance business) on or after 17 March 1993, the period commencing on the later of—";

(b) by the deletion of the word "and" at the end of paragraph *(a)* of the definition of "dividend cycle" in subsection (1);

(c) by the insertion after paragraph *(a)* of the definition of "dividend cycle" in subsection (1) of the following paragraph:

"*(a*A*)* in relation to the first dividend declared by a company which carries on long-term insurance business out of profits derived during any year of assessment commencing on or after 1 July 1993, the period commencing on the later of—

(i) the day falling six months prior to the declaration of the said dividend; and

(ii) the day following the date of declaration of the last dividend (other than a dividend *in specie* or a dividend payable on a preference share) declared by the company prior to the declaration of the said first dividend,

and ending on the date on which such first dividend accrues to the shareholder concerned; and";

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

"(2) There shall be levied and paid for the benefit of the State Revenue Fund a tax, to be known as the secondary tax on companies, which is calculated at the rate of **[15 per cent]** 25 per cent of the net amount, as determined in terms of subsection (3), of any dividend declared by any company on or after **[17 March 1993]** 22 June 1994.";

(e) by the substitution in subsection (3) for the words preceding the proviso of the following words:

"The net amount of any dividend referred to in subsection (2) shall be the amount by which such dividend declared by a company exceeds the sum of any dividends (other than any dividends contemplated in subsection (5)*(b)*, *(c)*, **[and]** *(d)* and *(f)*) which have during the dividend cycle in relation to such firstmentioned dividend accrued to the company:";

(f) by the deletion of the word "and" at the end of paragraph *(c)* of subsection (5);

(g) by the addition to subsection (5) of the following paragraphs:

"*(e)* so much of any dividend declared by a company referred to in subsection (12) *(e)* during any subsequent year of assessment as contemplated in that subsection, as represents a distribution of an amount received by or accrued to such company as a result of the disposal of gold mining assets;

(f) any dividend declared by any company to any other company, if—

(i) such other company at the date of such declaration holds for its own benefit all the equity share capital of such company;

(ii) bedoelde ander maatskappy 'n maatskappy is wie se plek van effektiewe bestuur binne die Republiek is en wie se winste uitsluitlik uit 'n bron in die Republiek verkry word; en

(iii) bedoelde maatskappy by skriftelike kennisgewing aan die Kommissaris verstrek, nie later nie as die laaste dag waarop sekondêre belasting op maatskappye, by ontstentenis van hierdie vrystelling, ten opsigte van die verklaring van bedoelde dividend betaalbaar sou gewees het, of sodanige latere datum as wat die Kommissaris mag goedkeur, gekies het dat sodanige dividend vrygestel word van die betaling van sekondêre belasting op maatskappye ingevolge hierdie paragraaf; en

(g) 'n dividend verklaar deur 'n maatskappy wat langtermynversekeringsbesigheid dryf uit winste verkry gedurende enige jaar van aanslag beginnende voor 1 Julie 1993."; en

(h) deur die volgende subartikels by te voeg:

"(15) Waar 'n maatskappy wat langtermynversekeringsbesigheid dryf 'n dividend verklaar uit winste verkry gedurende 'n jaar van aanslag beginnende op of na 1 Julie 1993 en die maatskappy se normale belasting betaalbaar vir daardie jaar ingevolge artikel 29(17) geheel en al of gedeeltelik vasgestel is deur die toepassing van die bepalings van artikel 28, word daar van die sekondêre belasting op maatskappye betaalbaar ten opsigte van bedoelde dividend, 'n bedrag afgetrek (hieronder die versekeraarskrediet genoem) gelyk aan soveel van die normale belasting betaalbaar ten opsigte van bedoelde jaar wat die normale belasting oorskry wat betaalbaar sou gewees het sou die maatskappy se normale belasting geheel en al ingevolge die bepalings van artikel 29 vasgestel gewees het.

(16) Waar die versekeraarskrediet die sekondêre belasting op maatskappye betaalbaar ten opsigte van 'n dividend verklaar uit winste verkry gedurende—

(a) die eerste jaar van aanslag beginnende op of na 1 Julie 1993 oorskry, word bedoelde oorskot oorgedra en geag die versekeraarskrediet ten opsigte van die tweede jaar van aanslag te wees; en

(b) die tweede jaar van aanslag beginnende op of na 1 Julie 1993 oorskry, word bedoelde oorskot oorgedra en afgetrek van die sekondêre belasting op maatskappye betaalbaar ten opsigte van dividende verklaar uit winste verkry gedurende die derde jaar van aanslag beginnende op of na 1 Julie 1993.

(17) By die toepassing van subartikels (5)*(g)*, (15) en (16) word 'n dividend geag nie verklaar te gewees het nie uit winste verkry gedurende 'n jaar van aanslag vir sover bedoelde dividend uit winste verkry gedurende 'n daaropvolgende jaar van aanslag verklaar kon gewees het.".

(2)*(a)* Subartikel (1)*(a)*, *(b)*, *(c)*, *(e)*, *(f)*, *(g)* en *(h)* word geag op 17 Maart 1993 in werking te getree het.

(b) Subartikel (1)*(d)* word geag op 22 Junie 1994 in werking te getree het.

Wysiging van artikel 64C van Wet 58 van 1962, soos ingevoeg deur artikel 34 van Wet 113 van 1993 en gewysig deur artikel 13 van Wet 140 van 1993

25. Artikel 64C van die Hoofwet word hierby gewysig—

(a) deur in paragraaf *(f)* van subartikel (4) die uitdrukking "aandeelhouer", waar dit ook al voorkom, deur die uitdrukking "ontvanger" te vervang;

(b) deur die woord "en" aan die einde van paragraaf *(g)* van subartikel (4) te skrap;

(c) deur die woord "en" aan die einde van paragraaf *(h)* van subartikel (4) by te voeg;

(d) deur die volgende paragraaf by subartikel (4) te voeg:

"*(i)* op enige lening of krediet toegestaan aan 'n trust deur 'n maatskappy om bedoelde trust in staat te stel om aandele in bedoelde maatskappy te koop, met die oog op die herverkoop van bedoelde aandele deur bedoelde trust aan werknemers van bedoelde maatskappy of van 'n verwante maatskappy met betrekking

(ii) such other company is a company which has its place of effective management in the Republic and its profits are derived solely from a source within the Republic; and

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

(g) any dividend distributed by a company which carries on long-term insurance business out of profits derived during any year of assessment commencing prior to 1 July 1993."; and

(h) by the addition of the following subsections:

"(15) Where a company which carries on long-term insurance business declares a dividend out of profits derived during any year of assessment commencing on or after 1 July 1993 and the company's normal tax payable for that year has in terms of section 29(17) been determined wholly or partially by applying the provisions of section 28, there shall be deducted from the secondary tax on companies payable in respect of such dividend, an amount (hereinafter referred to as the insurers' credit) equal to so much of the normal tax payable in respect of such year as exceeds the normal tax which would have been payable had the company's normal tax been determined entirely by applying the provisions of section 29.

(16) Where the insurers' credit exceeds the secondary tax on companies payable in respect of any dividend declared out of profits derived during—

(a) the first year of assessment commencing on or after 1 July 1993, such excess shall be carried forward and be deemed to be the insurers' credit in respect of the second year of assessment; and

(b) the second year of assessment commencing on or after 1 July 1993, such excess shall be carried forward and be deducted from the secondary tax on companies payable in respect of dividends declared out of profits derived during the third year of assessment commencing on or after 1 July 1993.

(17) For the purposes of subsections (5)*(g)*, (15) and (16) a dividend shall be deemed not to have been declared out of profits derived during any year of assessment to the extent that such dividend could have been declared out of profits derived during any subsequent year of assessment.".

(2)*(a)* Subsection (1)*(a)*, *(b)*, *(c)*, *(e)*, *(f)*, *(g)* and *(h)* shall be deemed to have come into operation on 17 March 1993.

(b) Subsection (1)*(d)* shall be deemed to have come into operation on 22 June 1994.

Amendment of section 64C of Act 58 of 1962, as inserted by section 34 of Act 113 of 1993 and amended by section 13 of Act 140 of 1993

25.(1) Section 64C of the principal Act is hereby amended—

(a) by the substitution in paragraph *(f)* of subsection (4) for the expression "shareholder", wherever it occurs, of the expression "recipient";

(b) by the deletion of the word "and" at the end of paragraph *(g)* of subsection (4);

(c) by the addition of the word "and" at the end of paragraph *(h)* of subsection (4);

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

"*(i)* to any loan or credit granted to a trust by a company to enable such trust to purchase shares in such company with a view to the resale of such shares by such trust to employees of such company or of an associated company in relation to such company, under a share

tot bedoelde maatskappy, ingevolge 'n aandele-aansporingskema deur die maatskappy bedryf vir die voordeel van bedoelde werknemers."; en

(e) deur in subartikel (5) die uitdrukking "aandeelhouer", waar dit ook al voorkom, deur die uitdrukking "ontvanger" te vervang.

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

Wysiging van artikel 66 van Wet 58 van 1962, soos gewysig deur artikel 10 van Wet 6 van 1963, artikel 19 van Wet 90 van 1964, artikel 27 van Wet 88 van 1971, artikel 22 van Wet 91 van 1982, artikel 19 van Wet 65 van 1986, artikel 23 van Wet 85 van 1987 en artikel 37 van Wet 101 van 1990

26. Artikel 66 van die Hoofwet word hierby gewysig deur subartikel (12) te skrap.

Wysiging van artikel 75 van Wet 58 van 1962, soos gewysig deur artikel 40 van Wet 101 van 1990, artikel 34 van Wet 129 van 1991, artikel 30 van Wet 141 van 1992 en artikel 35 van Wet 113 van 1993

27. Artikel 75 van die Hoofwet word hierby gewysig deur subartikel (2) deur die volgende subartikel te vervang:

"(2) Die Kommissaris kan, onderworpe aan die voorwaardes wat hy bepaal en ten opsigte van die boeke (behalwe grootboeke, kasboeke en joernale) of dokumente wat hy aandui, magtiging verleen vir die behoud van **['n mikrofilmafdruk in plaas van die oorspronklike van]** enige boek of dokument in subartikel (1) bedoel in 'n vorm wat vir hom aanvaarbaar is in plaas van die oorspronklike daarvan.".

Wysiging van artikel 89*ter* van Wet 58 van 1962, soos ingevoeg deur artikel 14 van Wet 6 van 1963 en gewysig deur artikel 22 van Wet 90 van 1964, artikel 22 van Wet 95 van 1967, artikel 37 van Wet 89 van 1969, artikel 36 van Wet 94 van 1983, artikel 33 van Wet 121 van 1984 en artikel 41 van Wet 113 van 1993

28. (1) Artikel 89*ter* van die Hoofwet word hierby gewysig deur die woorde wat paragraaf *(c)* van subartikel (3) voorafgaan deur die volgende woorde te vervang:

"By die toepassing van **[hierdie artikel]** subartikels (1) en (2) beteken 'belastings' die belastings in die omskrywing van 'belasting' in artikel 1 behels, uitgesonderd—

(a) belasting op buitelandse aandeelhouers, **[belasting op onuitgekeerde winste, oorwinsbelasting]** belasting op geskenke, **[en]** rentebelasting op buitelanders, heffing op finansiële dienste en sekondêre belasting op maatskappye;".

(2) Subartikel (1) word geag op 1 April 1994 in werking te getree het en is van toepassing op enige betalings op of na daardie datum gemaak.

Wysiging van artikel 107 van Wet 58 van 1962, soos gewysig deur artikel 26 van Wet 65 van 1973 en artikel 46 van Wet 97 van 1986

29. Artikel 107 van die Hoofwet word hierby gewysig deur paragraaf *(dA)* van subartikel (1) te skrap.

Wysiging van paragraaf 1 van 7de Bylae by Wet 58 van 1962, soos bygevoeg deur artikel 46 van Wet 121 van 1984 en gewysig deur artikel 26 van Wet 96 van 1985, Goewermentskennisgewing No. R.2706 van 29 November 1985, artikel 33 van Wet 65 van 1986, Goewermentskennisgewing No. R.2683 van 19 Desember 1986, artikel 28 van Wet 85 van 1987, Goewermentskennisgewing No. R.714 van 14 April 1989, artikel 24 van Wet 70 van 1989, Goewermentskennisgewing No. R.763 van 29 Maart 1990, artikel 55 van Wet 101 van 1990, artikel 35 van Wet 141 van 1992 en artikel 52 van Wet 113 van 1993

30. (1) Paragraaf 1 van die Sewende Bylae by die Hoofwet word hierby gewysig deur in die omskrywing van "amptelike rentekoers" die uitdrukking "15 persent" deur die uitdrukking "14 persent" te vervang.

(2) Subartikel (1) word geag op 1 Februarie 1994 in werking te getree het.

incentive scheme operated by the company for the benefit of such employees."; and

(e) by the substitution in subsection (5) for the expression "shareholder", wherever it occurs, of the expression "recipient".

(2) Subsection (1) shall be deemed to have come into operation on 17 March 1993.

Amendment of section 66 of Act 58 of 1962, as amended by section 10 of Act 6 of 1963, section 19 of Act 90 of 1964, section 27 of Act 88 of 1971, section 22 of Act 91 of 1982, section 19 of Act 65 of 1986, section 23 of Act 85 of 1987 and section 37 of Act 101 of 1990

26. Section 66 of the principal Act is hereby amended by the deletion of subsection (12).

Amendment of section 75 of Act 58 of 1962, as amended by section 40 of Act 101 of 1990, section 34 of Act 129 of 1991, section 30 of Act 141 of 1992 and section 35 of Act 113 of 1993

27. Section 75 of the principal Act is hereby amended by the substitution for subsection (2) of the following subsection:

"(2) The Commissioner may, subject to such conditions as he may determine, and in respect of such books (other than ledgers, cash books and journals) or documents as he may specify, authorize the retention of **[a microfilm copy of]** any book or document referred to in subsection (1) in a form acceptable to him in lieu of the original thereof.".

Amendment of section 89*ter* of Act 58 of 1962, as inserted by section 14 of Act 6 of 1963 and amended by section 22 of Act 90 of 1964, section 22 of Act 95 of 1967, section 37 of Act 89 of 1969, section 36 of Act 94 of 1983, section 33 of Act 121 of 1984 and section 41 of Act 113 of 1993

28. (1) Section 89*ter* of the principal Act is hereby amended by the substitution for the words preceding paragraph *(c)* of subsection (3) of the following words:

"For the purposes of **[this section]** subsections (1) and (2) 'taxes' means the taxes comprehended in the definition of 'tax' in section 1, excluding—

(a) non-resident shareholders' tax, **[undistributed profits tax, excess profits duty]** donations tax, **[and]** non-residents tax on interest, levy on financial services and secondary tax on companies;".

(2) Subsection (1) shall be deemed to have come into operation on 1 April 1994 and shall apply to any payments made on or after that date.

Amendment of section 107 of Act 58 of 1962, as amended by section 26 of Act 65 of 1973 and section 46 of Act 97 of 1986

29. Section 107 of the principal Act is hereby amended by the deletion of paragraph *(d*A*)* of subsection (1).

Amendment of paragraph 1 of 7th Schedule to Act 58 of 1962, as added by section 46 of Act 121 of 1984 and amended by section 26 of Act 96 of 1985, Government Notice No. R.2706 of 29 November 1985, section 33 of Act 65 of 1986, Government Notice No. R.2683 of 19 December 1986, section 28 of Act 85 of 1987, Government Notice No. R.714 of 14 April 1989, section 24 of Act 70 of 1989, Government Notice No. R.763 of 29 March 1990, section 55 of Act 101 of 1990, section 35 of Act 141 of 1992 and section 52 of Act 113 of 1993

30.(1) Paragraph 1 of the Seventh Schedule to the principal Act is hereby amended by the substitution in the definition of "official rate of interest" for the expression "15 per cent" of the expression "14 per cent".

(2) Subsection (1) shall be deemed to have come into operation on 1 February 1994.

Wysiging van paragraaf 5 van 7de Bylae by Wet 58 van 1962, soos bygevoeg deur artikel 46 van Wet 121 van 1984 en gewysig deur artikel 28 van Wet 96 van 1985 en artikel 57 van Wet 101 van 1990

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

(a) deur die volgende verdere voorbehoudsbepaling by subparagraaf (2) te voeg:

"Met dien verstande voorts dat waar—

(a) 'n bate deur 'n werkgewer aan 'n werknemer as 'n toekenning vir dapperheid geskenk word, bedoelde waarde wat daarop geplaas word, verminder word met die minste van die koste vir die werkgewer van alle bedoelde bates aldus aan die werknemer geskenk gedurende die jaar van aanslag en R2 000; of

(b) 'n bate deur 'n werkgewer aan 'n werknemer vir langdurige diens gegee word, bedoelde waarde wat daarop geplaas word, verminder word met die minste van die koste vir die werkgewer van alle bedoelde bates aldus aan die werknemer gegee gedurende die jaar van aanslag en R2 000.";

(b) deur subparagraaf (3) deur die volgende subparagraaf te vervang:

"(3) Geen waarde word ingevolge hierdie paragraaf geplaas nie op—

[*(a)* 'n bate deur 'n werkgewer aan 'n werknemer geskenk as 'n toekenning vir dapperheid indien die koste vir die werkgewer van alle bedoelde bates aldus toegeken aan die werknemer nie R2 000 gedurende die jaar van aanslag te bowe gaan nie; of

***(b)* 'n bate deur 'n werkgewer aan 'n werknemer gegee vir langdurige diens indien die koste vir die werkgewer van alle bedoelde bates aldus aan die werknemer gegee nie R2 000 gedurende die jaar van aanslag te bowe gaan nie; of**

***(c)*]** brandstof of smeermiddels deur 'n werkgewer aan 'n werknemer verskaf vir gebruik in 'n motorvoertuig waar die waarde van die private gebruik van bedoelde voertuig ingevolge paragraaf 7 vasgestel is."; en

(c) deur subparagraaf (4) deur die volgende subparagraaf te vervang:

"(4) By die toepassing van **[subparagraaf (3)*(b)*]** hierdie paragraaf beteken 'langdurige diens' 'n eerste ononderbroke dienstydperk van minstens 15 jaar of 'n daaropvolgende ononderbroke dienstydperk van minstens 10 jaar.".

Wysiging van paragraaf 7 van 7de Bylae by Wet 58 van 1962, soos bygevoeg deur artikel 46 van Wet 121 van 1984 en gewysig deur artikel 30 van Wet 96 van 1985, artikel 10 van Wet 108 van 1986, Goewermentskennisgewing No. 956 van 11 Mei 1988, artikel 44 van Wet 90 van 1988, Goewermentskennisgewing No. R.715 van 14 April 1989, artikel 25 van Wet 70 van 1989, Goewermentskennisgewing No. R.764 van 29 Maart 1990, artikel 58 van Wet 101 van 1990, artikel 50 van Wet 129 van 1991 en artikel 36 van Wet 141 van 1992

32. Paragraaf 7 van die Sewende Bylae by die Hoofwet word hierby gewysig—

(a) deur die voorbehoudsbepaling by subparagraaf (1) te skrap; en

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

"(1A)*(a)* Waar die reg aan 'n werknemer verleen is om 'n motorvoertuig te gebruik soos in subparagraaf (2) beoog en bedoelde voertuig, of die reg van gebruik daarvan, nie minder nie as 12 maande voor die datum waarop bedoelde reg aan die werknemer verleen is, deur die werkgewer verkry is, daar, behoudens die bepalings van item *(b)*, van die bedrag wat ingevolge subparagraaf (1) bepaal is, 'n waardeverminderingstoelae afgetrek word bereken volgens die verminderdesaldometode teen die koers van 15 persent vir elke volle tydperk van 12 maande vanaf die datum waarop die werkgewer vir die eerste maal bedoelde voertuig of die reg van gebruik daarvan verkry het tot die datum waarop die reg van gebruik daarvan vir die eerste maal aan genoemde werknemer verleen is.

(b) Die bepalings van item *(a)* is nie van toepassing nie waar die voertuig of die reg van gebruik daarvan deur die werkgewer van 'n

Amendment of paragraph 5 of 7th Schedule to Act 58 of 1962, as added by section 46 of Act 121 of 1984 and amended by section 28 of Act 96 of 1985 and section 57 of Act 101 of 1990

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

(a) by the addition of the following further proviso to subparagraph (2):
"Provided further that where—
(a) any asset is presented by an employer to an employee as an award for bravery, such value to be placed thereon shall be reduced by the lesser of the cost to the employer of all such assets so awarded to the employee during the year of assessment and R2 000; or
(b) any asset is given by an employer to an employee for long service, such value to be placed thereon shall be reduced by the lesser of the cost to the employer of all such assets so given to the employee during the year of assessment and R2 000.";

(b) by the substitution for subparagraph (3) of the following subparagraph:
"(3) No value shall be placed under this paragraph on—
[*(a)* any asset presented by an employer to an employee as an award for bravery if the cost to the employer of all such assets so awarded to the employee during the year of assessment does not exceed R2 000; or
***(b)* any asset given by an employer to an employee for long service if the cost to the employer of all such assets so given to the employee during the year of assessment does not exceed R2 000; or**
***(c)*]** fuel or lubricants supplied by an employer to his employee for use in a motor vehicle where the value of the private use of such vehicle has been determined under paragraph 7."; and

(c) by the substitution for subparagraph (4) of the following subparagraph:
"(4) For the purposes of **[subparagraph (3)*(b)*]** this paragraph, 'long service' means an initial unbroken period of service of not less than 15 years or any subsequent unbroken period of service of not less than 10 years.".

Amendment of paragraph 7 of 7th Schedule to Act 58 of 1962, as added by section 46 of Act 121 of 1984 and amended by section 30 of Act 96 of 1985, section 10 of Act 108 of 1986, Government Notice No. 956 of 11 May 1988, section 44 of Act 90 of 1988, Government Notice No. R.715 of 14 April 1989, section 25 of Act 70 of 1989, Government Notice No. R.764 of 29 March 1990, section 58 of Act 101 of 1990, section 50 of Act 129 of 1991 and section 36 of Act 141 of 1992

32. Paragraph 7 of the Seventh Schedule to the principal Act is hereby amended—

(a) by the deletion of the proviso to subparagraph (1); and

(b) by the insertion after subparagraph (1) of the following subparagraph:
"(1A)*(a)* Where an employee has been granted the right of use of a motor vehicle as contemplated in subparagraph (2) and such vehicle, or the right of use thereof, was acquired by the employer not less than 12 months before the date on which the employee was granted such right of use, there shall, subject to the provisions of item *(b)*, be deducted from the amount determined under subparagraph (1), a depreciation allowance calculated according to the reducing balance method at the rate of 15 per cent for each completed period of 12 months from the date on which the employer first obtained such vehicle or the right of use thereof to the date on which the said employee was first granted the right of use thereof.
(b) The provisions of item *(a)* shall not apply where the vehicle or the right of use thereof was acquired by the employer from an associated

verwante inrigting met betrekking tot die werkgewer verkry is en die betrokke werknemer voor bedoelde verkryging die reg van gebruik van die voertuig geniet het.".

Wysiging van paragraaf 9 van 7de Bylae by Wet 58 van 1962, soos bygevoeg deur artikel 46 van Wet 121 van 1984 en gewysig deur artikel 31 van Wet 96 van 1985, artikel 34 van Wet 65 van 1986, artikel 29 van Wet 85 van 1987, artikel 59 van Wet 101 van 1990 en artikel 53 van Wet 113 van 1993

33. Paragraaf 9 van die Sewende Bylae by die Hoofwet word hierby gewysig deur die woorde wat paragraaf *(a)* van die omskrywing van "besoldiging" in subparagraaf (1) voorafgaan deur die volgende woorde te vervang:

" 'besoldiging', met betrekking tot 'n werknemer, die totaal van die bedrae van besoldiging (soos vasgestel ooreenkomstig die omskrywing van 'besoldiging' in paragraaf 1 van die Vierde Bylae, maar uitgesonderd enige bedrae in paragraaf *(c)* bedoel en met inbegrip van bedrae in paragraaf (vii) van daardie omskrywing bedoel) wat deur hom van sy werkgewer en enige maatskappye en fondse wat verwante inrigtings met betrekking tot die werkgewer is, verkry is, maar uitgesonderd—".

Wysiging van paragraaf 20 van 7de Bylae by Wet 58 van 1962, soos bygevoeg deur artikel 46 van Wet 121 van 1984 en gewysig deur artikel 39 van Wet 96 van 1985

34. Paragraaf 20 van die Sewende Bylae by die Hoofwet word hierby gewysig deur item *(b)* van subparagraaf (1) deur die volgende item te vervang:

"*(b)* die bepalings van paragraaf 5**[(3)*(b)*]** (2) wysig om die daarin gespesifiseerde bedrag te verander;".

Intrekking van Goewermentskennisgewing No. 57 van 14 Januarie 1994

35. (1) Goewermentskennisgewing No. 57 van 14 Januarie 1994 word hierby ingetrek.

(2) Subartikel (1) word geag op 14 Januarie 1994 in werking te getree het.

Oorgangsheffing vir maatskappye wat verandering in boekjaar gehad het

36. Waar, ten gevolge van 'n verandering in sy boekjaar, 'n maatskappy twee jare van aanslag het wat eindig gedurende 'n tydperk van 12 maande eindigende op 31 Maart 1995, is die oorgangsheffing betaalbaar ingevolge die bepalings van artikels 38, 39 en 40 van hierdie Wet en paragraaf 1*(g)* van die Bylae by hierdie Wet, slegs ten opsigte van die eerste van bedoelde jare van aanslag, betaalbaar.

Administrasie deur Kommissaris van sekere wette in voormalige staat

37. Ondanks die bepalings van die een of ander wet, kan die Minister van Finansies by kennisgewing in die *Staatskoerant* bepaal dat die Kommissaris van Binnelandse Inkomste, aangestel ingevolge artikel 2 van die Hoofwet, vanaf 'n datum vermeld in bedoelde kennisgewing verantwoordelik is vir die uitvoering van die bepalings van enige wet van 'n voormalige staat vermeld in bedoelde kennisgewing en wat van krag bly ingevolge artikel 229 van die Grondwet en enige belasting, reg of heffing instel wat soortgelyk is aan enige belasting, reg of heffing ingevolge 'n wet wat tans deur bedoelde Kommissaris uitgevoer word.

Oorgangsheffing betaalbaar deur persone wat inkomste uit bron binne voormalige Republiek van Transkei verkry

38. Behoudens die bepalings van die Inkomstebelastingwet, 1962 (Wet No. 58 van 1962), van die voormalige Republiek van Transkei, en die "Transkei Taxation Act, 1969" (Wet No. 8 van 1969), van die voormalige Republiek van Transkei, in hierdie artikel die Transkei Wet genoem, word daar benewens die belasting gehef teen die koerse voorgeskryf ingevolge—

(a) artikel 6 van die Transkei Wet, deur elke persoon (behalwe 'n

institution in relation to the employer and the employee concerned had prior to such acquisition enjoyed the right of use of the vehicle.".

Amendment of paragraph 9 of 7th Schedule to Act 58 of 1962, as added by section 46 of Act 121 of 1984 and amended by section 31 of Act 96 of 1985, section 34 of Act 65 of 1986, section 29 of Act 85 of 1987, section 59 of Act 101 of 1990 and section 53 of Act 113 of 1993

33. Paragraph 9 of the Seventh Schedule to the principal Act is hereby amended by the substitution in subparagraph (1) for the words preceding paragraph *(a)* of the definition of "remuneration" of the following words:

" 'remuneration', in relation to any employee, means the aggregate of the amounts of remuneration (as determined in accordance with the definition of 'remuneration' in paragraph 1 of the Fourth Schedule but excluding any amounts referred to in paragraph *(c)* and including any amounts referred to in paragraph (vii) of that definition) which have been derived by him from his employer and any companies and funds which are associated institutions in relation to the employer, but excluding—".

Amendment of paragraph 20 of 7th Schedule to Act 58 of 1962, as added by section 46 of Act 121 of 1984 and amended by section 39 of Act 96 of 1985

34. Paragraph 20 of the Seventh Schedule to the principal Act is hereby amended by the substitution for item *(b)* of subparagraph (1) of the following item:

"*(b)* the provisions of paragraph 5**[(3)*(b)*]** (2) so as to vary the amount specified therein;".

Withdrawal of Government Notice No. 57 of 14 January 1994

35.(1) Government Notice No. 57 of 14 January 1994 is hereby withdrawn.

(2) Subsection (1) shall be deemed to have come into operation on 14 January 1994.

Transition levy for companies who have had change in financial year

36. Where, in consequence of a change in its financial year, any company has two years of assessment which end during the period of 12 months ending on 31 March 1995, the transition levy payable under the provisions of sections 38, 39 and 40 of this Act and paragraph 1*(g)* of the Schedule to this Act, shall be payable only in respect of the first of such years of assessment.

Administration by Commissioner of certain laws of former state

37. Notwithstanding anything to the contrary contained in any law, the Minister of Finance may by notice in the *Gazette* provide that the Commissioner for Inland Revenue, appointed in terms of section 2 of the principal Act, shall from a date specified in such notice be responsible for carrying out the provisions of any law of a former state specified in such notice and which continues to be in force in terms of section 229 of the Constitution and imposes any tax, duty or levy which is similar to any tax, duty or levy levied in terms of any law which is at present administered by the said Commissioner.

Transition levy payable by persons deriving income from source within former Republic of Transkei

38. Subject to the provisions of the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Transkei, and the Transkei Taxation Act, 1969 (Act No. 8 of 1969), of the former Republic of Transkei, in this section referred to as the Transkei Act, there shall in addition to the tax imposed at the rates prescribed in terms of—

(a) section 6 of the Transkei Act, be paid by every person (other than a company) in respect of the year of assessment ending on 28 February

maatskappy) ten opsigte van die jaar van aanslag eindigende op 28 Februarie 1995, 'n oorgangsheffing betaal wat bereken word teen die koers van 3,33 persent van die bedrag waarmee die belasbare inkomste van daardie persoon R50 000 te bowe gaan: Met dien verstande dat by die toepassing van hierdie paragraaf die belasbare inkomste van 'n persoon vasgestel word sonder om 'n bedrag beoog in artikel 7A(4A) van, en paragraaf 7 van die Tweede Bylae by, die Hoofwet in te sluit; en

(b) Bylae 2 by die "Income Tax Amendment Act, 1982" (Wet No. 19 van 1982), van die voormalige Republiek van Transkei, deur elke maatskappy ten opsigte van enige jaar van aanslag wat eindig gedurende die tydperk van 12 maande eindigende op 31 Maart 1995, 'n oorgangsheffing betaal wat bereken word teen die koers van 5 persent van die bedrag waarmee die belasbare inkomste van daardie maatskappy R50 000 te bowe gaan: Met dien verstande dat by die toepassing van hierdie paragraaf die belasbare inkomste van die maatskappy vasgestel word sonder die verrekening van enige aangeslane verlies deur die maatskappy in enige vorige jaar van aanslag gely.

Oorgangsheffing betaalbaar deur persone wat inkomste uit 'n bron binne die voormalige Republiek van Bophuthatswana verkry

39. Behoudens die bepalings van die Inkomstebelastingwet, 1962 (Wet No. 58 van 1962), van die voormalige Republiek van Bophuthatswana, in hierdie artikel die Inkomstebelastingwet genoem, en die Bophuthatswana Belastingwet, 1978 (Wet No. 26 van 1978), van die voormalige Republiek van Bophuthatswana, in hierdie artikel die Bophuthatswana Wet genoem, word daar benewens die belasting gehef teen die koerse voorgeskryf ingevolge—

(a) artikel 6 van die Bophuthatswana Wet, deur elke persoon (behalwe 'n maatskappy) ten opsigte van die jaar van aanslag eindigende op 28 Februarie 1995, 'n oorgangsheffing betaal wat bereken word teen die koers van 3,33 persent van die bedrag waarmee die belasbare inkomste van daardie persoon R50 000 te bowe gaan: Met dien verstande dat by die toepassing van hierdie paragraaf die belasbare inkomste van 'n persoon vasgestel word sonder om 'n bedrag beoog in artikel 7A(4A) van, en paragraaf 7 van die Tweede Bylae by, die Hoofwet in te sluit; en

(b) die Bylae by die Bophuthatswana Wet, deur elke maatskappy ten opsigte van enige jaar van aanslag wat eindig gedurende die tydperk van 12 maande eindigende op 31 Maart 1995, 'n oorgangsheffing betaal wat bereken word teen die koers van 5 persent van die bedrag waarmee die belasbare inkomste van daardie maatskappy R50 000 te bowe gaan: Met dien verstande dat by die toepassing van hierdie paragraaf, die belasbare inkomste van die maatskappy vasgestel word sonder die verrekening van enige aangeslane verlies deur die maatskappy in enige vorige jaar van aanslag gely.

Oorgangsheffing betaalbaar deur persone wat inkomste uit bron binne voormalige Republiek van Ciskei verkry

40. Behoudends die bepalings van die "Income Tax Act, 1984" (Wet No. 44 van 1984), van die voormalige Republiek van Ciskei, in hierdie artikel die Inkomstebelastingwet genoem, word daar benewens die belasting gehef ingevolge artikel 5 van die Inkomstebelastingwet, 'n oorgangsheffing betaal op die "chargeable income" (uitsluitend dividende beoog in artikel 6*(c)* van die Inkomstebelastingwet)—

(a) deur elke persoon (behalwe 'n maatskappy) ten opsigte van enige jaar van aanslag eindigende op 28 Februarie 1995, wat bereken word teen die koers van 3,33 persent van die bedrag waarmee die "chargeable income" van daardie persoon R50 000 te bowe gaan: Met dien verstande dat by die toepassing van hierdie paragraaf die "chargeable income" van 'n persoon vasgestel word sonder om 'n bedrag beoog in artikel 7A(4A) van die Hoofwet in te sluit; en

1995, a transition levy which is calculated at the rate of 3,33 per cent of the amount by which the taxable income of such person exceeds R50 000: Provided that for the purposes of this paragraph, the taxable income of a person shall be determined without the inclusion of any amount contemplated in section 7A(4A) of the principal Act and paragraph 7 of the Second Schedule to the said Act; and

(b) Schedule 2 to the Income Tax Amendment Act, 1982 (Act No. 19 of 1982), of the former Republic of Transkei, be paid by every company in respect of any year of assessment ending during the period of 12 months ending on 31 March 1995, a transition levy which is calculated at the rate of 5 per cent of the amount by which the taxable income of such company exceeds R50 000: Provided that for the purposes of this paragraph, the taxable income of the company shall be determined without the set-off of any balance of assessed loss incurred by the company in any previous year of assessment.

Transition levy payable by persons deriving income from source within former Republic of Bophuthatswana

39. Subject to the provisions of the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Bophuthatswana, and the Bophuthatswana Taxation Act, 1978 (Act No. 26 of 1978), of the former Republic of Bophuthatswana, in this section referred to as the Bophuthatswana Act, there shall, in addition to the tax imposed at the rates prescribed in terms of—

(a) section 6 of the Bophuthatswana Act, be paid by every person (other than a company) in respect of the year of assessment ending on 28 February 1995, a transition levy which is calculated at the rate of 3,33 per cent of the amount by which the taxable income of such person exceeds R50 000: Provided that for the purposes of this paragraph, the taxable income of a person shall be determined without the inclusion of any amount contemplated in section 7A(4A) of the principal Act and paragraph 7 of the Second Schedule to the said Act; and

(b) the Schedule to the Bophuthatswana Act, be paid by every company in respect of any year of assessment ending during the period of 12 months ending on 31 March 1995, a transition levy which is calculated at the rate of 5 per cent of the amount by which the taxable income of such company exceeds R50 000: Provided that for the purposes of this paragraph, the taxable income of the company shall be determined without the set-off of any balance of assessed loss incurred by the company in any previous year of assessment.

Transition levy payable by persons deriving income from source within former Republic of Ciskei

40. Subject to the provisions of the Income Tax Act, 1984 (Act No. 44 of 1984), of the former Republic of Ciskei, in this section referred to as the Income Tax Act, there shall, in addition to the tax imposed in terms of section 5 of the Income Tax Act, be paid a transition levy on chargeable income (excluding dividends contemplated in section 6*(c)* of the Income Tax Act)—

(a) by every person (other than a company) in respect of the year of assessment ending on 28 February 1995, which is calculated at the rate of 3,33 per cent of the amount by which the chargeable income of such person exceeds R50 000: Provided that for the purposes of this paragraph, the chargeable income of a person shall be determined without the inclusion of any amount contemplated in section 7A(4A) of the principal Act; and

(b) deur elke maatskappy (insluitend 'n maatskappy aan wie belastingvrye status verleen is ingevolge die "Company Tax Amendment Act, 1984" (Wet No. 16 van 1984), of die "Company Tax Amendment Decree, 1994" (Dekreet No. 2 van 1994), van die voormalige Republiek van Ciskei, ten opsigte van enige jaar van aanslag wat eindig gedurende die tydperk van 12 maande eindigende op 31 Maart 1995, wat bereken word teen die koers van 5 persent van die bedrag waarmee die "chargeable income" van daardie maatskappy R50 000 te bowe gaan: Met dien verstande dat by die toepassing van hierdie paragraaf die "chargeable income" van die maatskappy vasgestel word sonder die verrekening van enige aangeslane verlies deur die maatskappy in enige vorige jaar van aanslag gely.

Toepassing van die Hoofwet

41. (1) Die Hoofwet, asook enige regulasie, Proklamasie of Goewermentskennisgewing uitgereik ingevolge die bepalings daarvan, is, behoudens die bepalings van subartikels (2), (3) en (4), van toepassing—

(a) op voormalige burgers van 'n voormalige gebied;

(b) op inkomste verkry uit 'n bron binne die gebied van 'n voormalige staat ten opsigte van 'n bedryf wat 'n persoon (behalwe 'n natuurlike persoon) vir die eerste keer begin beoefen het of weer begin beoefen het in bedoelde voormalige staat op of na 22 Junie 1994; en

(c) op inkomste verkry uit 'n bron binne die gebied van die voormalige Republiek van Venda.

(2) Vir sover die Hoofwet ingevolge subartikel (1) van toepassing is, is die wette van 'n voormalige staat of van 'n voormalige gebied wat 'n soortgelyke belasting hef, nie van toepassing nie.

(3) 'n Wet waarna in die Hoofwet verwys word wat nog nie in 'n voormalige gebied of die gebied van die voormalige Republiek van Venda van toepassing is nie word, by die toepassing van die Hoofwet, geag in sodanige gebied van toepassing te wees.

(4)*(a)* Subartikel (1)*(a)* word geag in werking te getree het vanaf die begin van jare van aanslag beginnende op of na 1 Maart 1994.

(b) Subartikel (1)*(b)* word geag op 22 Junie 1994 in werking te getree het.

(c) Subartikel (1)*(c)* tree in werking—

(i) ten opsigte van 'n persoon (behalwe 'n maatskappy), vanaf jare van aanslag beginnende op of na 1 Maart 1995; en

(ii) ten opsigte van 'n maatskappy vanaf die begin van jare van aanslag beginnende op of na 1 April 1994.

Vasstelling van belasbare inkomste verkry deur persone wat voorheen ingevolge sekere ander wette belasbaar was

42. (1) Waar 'n reël voorsien in die Hoofwet aangaande die insluiting van 'n bedrag in die inkomste van 'n belastingpligtige vir enige jaar of aangaande die aftrekking of verrekening van 'n bedrag van of teen sy inkomste vir bedoelde jaar, in werklikheid vereis dat rekening gehou moet word met enigiets wat gedoen is of gebeur het in of met betrekking tot 'n vorige jaar van aanslag, word, behoudens sodanige aanpassings wat in die omstandighede toepaslik mag wees, enigiets wat inderdaad gedoen is of inderdaad gebeur het in of met betrekking tot 'n jaar van aanslag waartydens die belastingpligtige vir belastingdoeleindes ingevolge 'n wet van 'n voormalige gebied of ingevolge 'n wet van die voormalige Republiek van Venda, vir enige jaar van aanslag belasbaar was, vir die doeleindes van die toepassing van bedoelde reël, in aanmerking geneem.

(2) Subartikel (1)—

(a) word vir sover die bepalings betrekking het op 'n belastingpligtige wat ingevolge 'n wet van 'n voormalige gebied belasbaar was, geag in werking te getree het vanaf jare van aanslag beginnende op of na 1 Maart 1994; en

(b) tree vir sover die bepalings betrekking het op 'n belastingpligtige wat ingevolge 'n wet van die voormalige Republiek van Venda belasbaar was, in werking—

(i) ten opsigte van 'n persoon (behalwe 'n maatskappy) vanaf jare van aanslag beginnende op of na 1 Maart 1995; en

(b) by every company (including a company which has been granted tax-free status in terms of the Company Tax Amendment Act, 1984 (Act No. 16 of 1984 of Ciskei), or the Company Tax Amendment Decree, 1994 (Decree No. 2 of 1994 of Ciskei)), in respect of any year of assessment ending during the period of 12 months ending on 31 March 1995 which is calculated at the rate of 5 per cent of the amount by which the chargeable income of such company exceeds R50 000: Provided that for the purposes of this paragraph, the chargeable income of the company shall be determined without the set-off of any balance of assessed loss incurred by the company in any previous year of assessment.

Application of the principal Act

41.(1) The principal Act, as well as any regulation, Proclamation or Government Notice issued in terms of the provisions thereof, shall, subject to the provisions of subsections (2), (3) and (4), be applicable—

(a) to former citizens of any former territory;

(b) to income derived from a source within the territory of a former state in respect of a trade which any person (other than a natural person) commenced carrying on for the first time or recommenced carrying on in such former state on or after 22 June 1994; and

(c) to income derived from a source within the territory of the former Republic of Venda.

(2) Insofar as the principal Act is applicable in terms of subsection (1), the laws of a former state or of a former territory which impose a similar tax, shall not be applicable.

(3) Any law referred to in the principal Act which is not yet applicable in a former territory or in the territory of the former Republic of Venda, shall for the purposes of the principal Act be deemed to be applicable in the said territory.

(4)*(a)* Subsection (1)*(a)* shall be deemed to have come into operation as from the commencement of years of assessment commencing on or after 1 March 1994.

(b) Subsection (1)(b) shall be deemed to have come into operation on 22 June 1994.

(c) Subsection (1)*(c)* shall come into operation—

(i) in respect of any person (other than a company) from years of assessment commencing on or after 1 March 1995; and

(ii) in respect of any company from the commencement of years of assessment commencing on or after 1 April 1994.

Determination of taxable income derived by persons previously assessable under certain other laws

42. (1) Where any rule provided in the principal Act as to the inclusion in the income of any taxpayer, for any 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 during which the taxpayer was assessable for taxation purposes in terms of any law of a former territory or in terms of any law of the former Republic of Venda for any year of assessment, shall, subject to such adjustments as may in the circumstances be appropriate, for the purposes of applying such rule be taken into account.

(2) Subsection (1) shall—

(a) in so far as the provisions relate to a taxpayer who was assessable in terms of any law of a former territory, be deemed to have come into operation from the commencement of years of assessment commencing on or after 1 March 1994; and

(b) in so far as the provisions relate to a taxpayer who was assessable in terms of any law of the former Republic of Venda come into operation—

(i) in respect of any person (other than a company) from years of assessment commencing on or after 1 March 1995; and

(ii) ten opsigte van 'n maatskappy vanaf die begin van jare van aanslag beginnende op of na 1 April 1994.

Vasstelling van waarde ten opsigte van byvoordele verleen aan persone wat besoldiging uit bron binne voormalige Republiek van Venda verkry

43. (1) By die vasstelling van die kontant-ekwivalent by die toepassing van paragraaf *(i)* van die omskrywing van "bruto inkomste" in artikel 1 van die Hoofwet van 'n persoon wat besoldiging verkry uit 'n bron binne die gebied van die voormalige Republiek van Venda, bly die bepalings van paragrawe (14) en (15) van die Eerste Bylae by die "Income Tax Amendment Proclamation, 1993" (Proklamasie No. 18 van 1993), van die bedoelde voormalige Republiek, ondanks die herroeping van die bedoelde Proklamasie, van toepassing asof dit in die Sewende Bylae by die Hoofwet vervat is.

(2) Subartikel (1) tree in werking vanaf jare van aanslag beginnende op of na 1 Maart 1995.

Wysiging van "Income Tax Act, 1962", van voormalige Republiek van Venda

44. Enige bepaling in hierdie Wet wat die Hoofwet wysig, word geag die "Income Tax Act, 1962" (Wet No. 58 van 1962), van die voormalige Republiek van Venda, *mutatis mutandis* te gewysig het.

Wysiging van paragraaf 12 van Eerste Bylae by "Income Tax Act, 1984", van voormalige Republiek van Ciskei

45. Paragraaf 12 van die Eerste Bylae by die "Income Tax Act, 1984" (Wet No. 44 van 1984), van die voormalige Republiek van Ciskei, word hierby gewysig deur subparagraaf *(a)* te skrap.

Herroeping van wette, en voorbehoude

46. (1) Die volgende wette word hierby herroep:

(a) Wette van 'n voormalige gebied:

(i) Die KwaZulu-Wet op die Harmoniëring van Inkomstebelasting, 1984 (Wet No. 4 van 1984);

(ii) die Gazankulu-Wet op die Harmoniëring van Inkomstebelasting, 1984 (Wet No. 5 van 1984);

(iii) die Lebowa-Wet op die Harmoniëring van Belasting, 1984 (Wet No. 6 van 1984);

(iv) die Qwaqwa-Wet op die Harmoniëring van Inkomstebelasting, 1984 (Wet No. 7 van 1984);

(v) die KwaNdebele-Wet op die Harmoniëring van Inkomstebelasting, 1984 (Wet No. 9 van 1984); en

(vi) die KaNgwane-Wet op die Harmoniëring van Inkomstebelasting, 1989 (Wet No. 8 van 1989).

(b) Wette van die voormalige Republiek van Venda:

(i) "Income Tax Act, 1962" (Wet No. 58 van 1962);

(ii) "Income Tax Amendment Act, 1984" (Wet No. 7 van 1984);

(iii) "Income Tax Amendment Act, 1986" (Wet No. 11 van 1986);

(iv) "Income Tax Amendment Act, 1987" (Wet No. 15 van 1987);

(v) "Income Tax Second Amendment Act, 1987" (Wet No. 32 van 1987);

(vi) "Income Tax Amendment Act, 1988" (Wet No. 8 van 1988);

(vii) "Income Tax Second Amendment Act, 1988" (Wet No. 25 van 1988);

(viii) "Income Tax Amendment Act, 1989" (Wet No. 31 van 1989);

(ix) "Income Tax Amendment Proclamation, 1990" (Proklamasie No. 32 van 1990);

(x) "Income Tax Amendment Proclamation, 1991" (Proklamasie No. 31 van 1991);

(xi) "Income Tax Amendment Proclamation, 1992" (Proklamasie No. 22 van 1992);

(ii) in respect of any company from the commencement of years of assessment commencing on or after 1 April 1994.

Determination of value in respect of fringe benefits granted to persons who derive remuneration from source within former Republic of Venda

43.(1) In the determination of the cash equivalent for purposes of paragraph *(i)* of the definition of "gross income" in section 1 of the principal Act of any person who derives remuneration from a source within the territory of the former Republic of Venda, the provisions of paragraphs (14) and (15) of the First Schedule to the Income Tax Amendment Proclamation, 1993 (Proclamation No. 18 of 1993), of the said former Republic, shall, notwithstanding the repeal of the said Proclamation, continue to apply as though they are contained in the Seventh Schedule to the principal Act.

(2) Subsection (1) shall come into operation from years of assessment commencing on or after 1 March 1995.

Amendment of Income Tax Act, 1962, of former Republic of Venda

44. Any provision in this Act which amends the principal Act shall be deemed to have amended the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Venda *mutatis mutandis*.

Amendment of paragraph 12 of First Schedule to Income Tax Act, 1984, of former Republic of Ciskei

45. Paragraph 12 of the First Schedule to the Income Tax Act, 1984 (Act No. 44 of 1984), of the former Republic of Ciskei, is hereby amended by the deletion of subparagraph *(a)*.

Repeal of laws, and savings

46.(1) The following laws are hereby repealed:

(a) Laws of the former territories:

(i) The KwaZulu Income Tax Harmonization Act, 1984 (Act No. 4 of 1984);

(ii) the Gazankulu Income Tax Harmonisation Act, 1984 (Act No. 5 of 1984);

(iii) the Lebowa Tax Harmonization Act, 1984 (Act No. 6 of 1984);

(iv) the Qwaqwa Income Tax Harmonization Act, 1984 (Act No. 7 of 1984);

(v) the KwaNdebele Income Tax Harmonization Act, 1984 (Act No. 9 of 1984); and

(vi) the KaNgwane Income Tax Harmonization Act, 1989 (Act No. 8 of 1989); and

(b) Laws of the former Republic of Venda:

(i) Income Tax Act, 1962 (Act No. 58 of 1962);

(ii) Income Tax Amendment Act, 1984 (Act No. 7 of 1984);

(iii) Income Tax Amendment Act, 1986 (Act No. 11 of 1986);

(iv) Income Tax Amendment Act, 1987 (Act No. 15 of 1987);

(v) Income Tax Second Amendment Act, 1987 (Act No. 32 of 1987);

(vi) Income Tax Amendment Act, 1988 (Act No. 8 of 1988);

(vii) Income Tax Second Amendment Act, 1988 (Act No. 25 of 1988);

(viii) Income Tax Amendment Act, 1989 (Act No. 31 of 1989);

(ix) Income Tax Amendment Proclamation, 1990 (Proclamation No. 32 of 1990);

(x) Income Tax Amendment Proclamation, 1991 (Proclamation No. 31 of 1991);

(xi) Income Tax Amendment Proclamation, 1992 (Proclamation No. 22 of 1992);

(xii) "Income Tax Proclamation, 1993" (Proklamasie No. 18 van 1993); en

(xiii) "Income Tax Proclamation, 1994" (Proklamasie No. 93 van 1994).

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

(3) Enigiets wat gedoen is kragtens wet herroep ingevolge subartikel (1) en wat kragtens 'n bepaling van die Hoofwet gedoen kan word, word vanaf die datum van herroeping van die betrokke wet geag kragtens sodanige bepaling van die Hoofwet gedoen te wees.

(4)*(a)* Subartikel (1)*(a)* word geag in werking te getree het vanaf die begin van jare van aanslag beginnende op of na 1 Maart 1994.

(b) Subartikel (1)*(b)* tree in werking—

(i) ten opsigte van 'n persoon (behalwe 'n maatskappy) vanaf jare van aanslag beginnende op of na 1 Maart 1995; en

(ii) ten opsigte van 'n maatskappy vanaf die begin van jare van aanslag beginnende op of na 1 April 1994.

Woordomskrywings

47. By die toepassing van hierdie Wet, beteken—

"voormalige gebied" enige gebied wat kragtens artikel 26 van die Grondwet van die Selfregerende Gebiede, 1971 (Wet No. 21 van 1971), tot 'n selfregerende gebied verklaar is; en

"voormalige staat" die voormalige Republieke van Transkei, Bophuthatswana, Venda en Ciskei.

Inwerkingtreding van sekere wysigings

48. Behalwe vir sover daarin anders bepaal word of uit die samehang anders blyk, word die wysigings deur hierdie Wet aan die Hoofwet aangebring, vir die doeleindes van aanslae ten opsigte van normale belasting ingevolge die Hoofwet, geag in werking te getree het met ingang van die begin van jare van aanslag wat op of na 1 Januarie 1995 eindig.

Kort titel

49. Hierdie Wet heet die Inkomstebelastingwet, 1994.

(xii) Income Tax Proclamation, 1993 (Proclamation No. 18 of 1993); and

(xiii) Income Tax Proclamation, 1994 (Proclamation No. 93 of 1994).

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

(3) Anything done under a law repealed in terms of subsection (1) and which is capable of being done under a provision of the principal Act, shall, from the date of repeal of the said law, be deemed to have been done under such provision of the prrincipal Act.

(4)*(a)* Subsection (1)*(a)* shall be deemed to have come into operation as from the commencement of years of assessment commencing on or after 1 March 1994.

(b) Subsection (1)*(b)* shall come into operation—

(i) in respect of any person (other than a company) from years of assessment commencing on or after 1 March 1995; and

(ii) in respect of any company from the commencement of years of assessment commencing on or after 1 April 1994.

Definitions

47. For the purposes of this Act—

"former state" means the former Republics of Transkei, Bophuthatswana, Venda and Ciskei; and

"former territory" means any territory declared under section 26 of the Self-governing Territories Act, 1971 (Act No. 21 of 1971), to be self-governing territories.

Commencement of certain amendments

48. Save in so far as is otherwise provided therein or the context otherwise indicates, the amendments effected to the principal Act by this Act, shall for the purposes of assessments in respect of normal tax under the principal Act, be deemed to have come into operation as from the commencement of years of assessment ending on or after 1 January 1995.

Short title

49. This Act shall be called the Income Tax Act, 1994.

BYLAE

SKALE VAN NORMALE BELASTING BETAALBAAR DEUR ANDER PERSONE AS MAATSKAPPYE TEN OPSIGTE VAN DIE JARE VAN AANSLAG EINDIGENDE OP 28 FEBRUARIE 1995 EN 30 JUNIE 1995, EN DEUR MAATSKAPPYE TEN OPSIGTE VAN JARE VAN AANSLAG WAT EINDIG GEDURENDE DIE TYDPERK VAN 12 MAANDE EINDIGENDE OP 31 MAART 1995

(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 aan belasting wat ooreenkomstig die tabelle hieronder bereken word:

TABELLE

Belasbare Inkomste	Skale van Belasting ten opsigte van Getroude Persone
Waar die belasbare inkomste—	
R5 000 nie te bowe gaan nie	17 persent van elke R1 van die belasbare inkomste;
R5 000 te bowe gaan, maar nie R10 000 nie	R850 plus 18 persent van die bedrag waarmee die belasbare inkomste R5 000 oorskry;
R10 000 " " " " " R15 000 "	R1 750 plus 19 persent van die bedrag waarmee die belasbare inkomste R10 000 oorskry;
R15 000 " " " " " R20 000 "	R2 700 plus 20 persent van die bedrag waarmee die belasbare inkomste R15 000 oorskry;
R20 000 " " " " " R30 000 "	R3 700 plus 21 persent van die bedrag waarmee die belasbare inkomste R20 000 oorskry;
R30 000 " " " " " R40 000 "	R5 800 plus 28 persent van die bedrag waarmee die belasbare inkomste R30 000 oorskry;
R40 000 " " " " " R50 000 "	R8 600 plus 36 persent van die bedrag waarmee die belasbare inkomste R40 000 oorskry;
R50 000 " " " " " R60 000 "	R12 200 plus 41 persent van die bedrag waarmee die belasbare inkomste R50 000 oorskry;
R60 000 " " " " " R80 000 "	R16 300 plus 42 persent van die bedrag waarmee die belasbare inkomste R60 000 oorskry;
R80 000 te bowe gaan	R24 700 plus 43 persent van die bedrag waarmee die belasbare inkomste R80 000 oorskry;

SCHEDULE

RATES OF NORMAL TAX PAYABLE BY PERSONS OTHER THAN COMPANIES IN RESPECT OF THE YEARS OF ASSESSMENT ENDING 28 FEBRUARY 1995 AND 30 JUNE 1995, AND BY COMPANIES IN RESPECT OF YEARS OF ASSESSMENT ENDING DURING THE PERIOD OF 12 MONTHS ENDING 31 MARCH 1995

(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:

TABLES

Taxable Income	Rates of Tax in respect of Married Persons
Where the taxable income— does not exceed R5 000	17 per cent of each R1 of the taxable income;.
exceeds R5 000 but does not exceed R10 000	R850 plus 18 per cent of the amount by which the taxable income exceeds R5 000;
,, R10 000 ,, ,, ,, ,, R15 000	R1 750 plus 19 per cent of the amount by which the taxable income exceeds R10 000;
,, R15 000 ,, ,, ,, ,, R20 000	R2 700 plus 20 per cent of the amount by which the taxable income exceeds R15 000;
,, R20 000 ,, ,, ,, ,, R30 000	R3 700 plus 21 per cent of the amount by which the taxable income exceeds R20 000;
,, R30 000 ,, ,, ,, ,, R40 000	R5 800 plus 28 per cent of the amount by which the taxable income exceeds R30 000;
,, R40 000 ,, ,, ,, ,, R50 000	R8 600 plus 36 per cent of the amount by which the taxable income exceeds R40 000;
,, R50 000 ,, ,, ,, ,, R60 000	R12 200 plus 41 per cent of the amount by which the taxable income exceeds R50 000;
,, R60 000 ,, ,, ,, ,, R80 000	R16 300 plus 42 per cent of the amount by which the taxable income exceeds R60 000;
" R80 000	R24 700 plus 43 per cent of the amount by which the taxable income exceeds R80 000

Belasbare Inkomste	Skale van Belasting ten opsigte van Persone wat nie Getroude Persone of Getroude Vroue is nie
Waar die belasbare inkomste—	
R5 000 nie te bowe gaan nie	17 persent van elke R1 van die belasbare inkomste;
R5 000 te bowe gaan, maar nie R10 000 nie	R850 plus 19 persent van die bedrag waarmee die belasbare inkomste R5 000 oorskry;
R10 000 " " " " " R15 000 "	R1 800 plus 21 persent van die bedrag waarmee die belasbare inkomste R10 000 oorskry;
R15 000 " " " " " R20 000 "	R2 850 plus 24 persent van die bedrag waarmee die belasbare inkomste R15 000 oorskry;
R20 000 " " " " " R30 000 "	R4 050 plus 28 persent van die bedrag waarmee die belasbare inkomste R20 000 oorskry;
R30 000 " " " " " R40 000 "	R6 850 plus 36 persent van die bedrag waarmee die belasbare inkomste R30 000 oorskry;
R40 000 " " " " " R50 000 "	R10 450 plus 41 persent van die bedrag waarmee die belasbare inkomste R40 000 oorskry;
R50 000 " " " " " R56 000 "	R14 550 plus 42 persent van die bedrag waarmee die belasbare inkomste R50 000 oorskry;
R56 000 te bowe gaan	R17 070 plus 43 persent van die bedrag waarmee die belasbare inkomste R56 000 oorskry;

Belasbare Inkomste	Skale van Belasting ten opsigte van Getroude Vroue
Waar die belasbare inkomste—	
R5 000 nie te bowe gaan nie	17 persent van elke R1 van die belasbare inkomste;
R5 000 te bowe gaan, maar nie R10 000 nie	R850 plus 19 persent van die bedrag waarmee die belasbare inkomste R5 000 oorskry;
R10 000 " " " " " R15 000 "	R1 800 plus 21 persent van die bedrag waarmee die belasbare inkomste R10 000 oorskry;
R15 000 " " " " " R20 000 "	R2 850 plus 24 persent van die bedrag waarmee die belasbare inkomste R15 000 oorskry;
R20 000 " " " " " R30 000 "	R4 050 plus 28 persent van die bedrag waarmee die belasbare inkomste R20 000 oorskry;
R30 000 " " " " " R40 000 "	R6 850 plus 36 persent van die bedrag waarmee die belasbare inkomste R30 000 oorskry;
R40 000 " " " " " R50 000 "	R10 450 plus 38 persent van die bedrag waarmee die belasbare inkomste R40 000 oorskry;
R50 000 te bowe gaan	R14 250 plus 40 persent van die bedrag waarmee die belasbare inkomste R50 000 oorskry;

(b) op elke rand van die belasbare inkomste van 'n maatskappy (met uitsondering van belasbare inkomste in subparagrawe *(c)*, *(d)* en *(e)* bedoel), 35 sent, of, in die geval van 'n maatskappy wat vir goud myn op 'n goudmyn en wat ingevolge 'n keuse deur hom uitgeoefen van die betaling van sekondêre belasting op maatskappye vrygestel is, 48 sent;

Taxable Income	Rates of Tax in respect of Persons who are not Married Persons or Married Women
Where the taxable income—	
does not exceed R5 000	17 per cent of each R1 of the taxable income;
exceeds R5 000 but does not exceed R10 000	R850 plus 19 per cent of the amount by which the taxable income exceeds R5 000;
,, R10 000 ,, ,, ,, ,, R15 000	R1 800 plus 21 per cent of the amount by which the taxable income exceeds R10 000;
,, R15 000 ,, ,, ,, ,, R20 000	R2 850 plus 24 per cent of the amount by which the taxable income exceeds R15 000;
,, R20 000 ,, ,, ,, ,, R30 000	R4 050 plus 28 per cent of the amount by which the taxable income exceeds R20 000;
,, R30 000 ,, ,, ,, ,, R40 000	R6 850 plus 36 per cent of the amount by which the taxable income exceeds R30 000;
,, R40 000 ,, ,, ,, ,, R50 000	R10 450 plus 41 per cent of the amount by which the taxable income exceeds R40 000;
,, R50 000 ,, ,, ,, ,, R56 000	R14 550 plus 42 per cent of the amount by which the taxable income exceeds R50 000;
" R56 000	R17 070 plus 43 per cent of the amount by which the taxable income exceeds R56 000;

Taxable Income	Rates of Tax in respect of Married Women
Where the taxable income—	
does not exceed R5 000	17 per cent of each R1 of the taxable income;
exceeds R5 000 but does not exceed R10 000	R850 plus 19 per cent of the amount by which the taxable income exceeds R5 000;
,, R10 000 ,, ,, ,, ,, R15 000	R1 800 plus 21 per cent of the amount by which the taxable income exceeds R10 000;
,, R15 000 ,, ,, ,, ,, R20 000	R2 850 plus 24 per cent of the amount by which the taxable income exceeds R15 000;
,, R20 000 ,, ,, ,, ,, R30 000	R4 050 plus 28 per cent of the amount by which the taxable income exceeds R20 000;
,, R30 000 ,, ,, ,, ,, R40 000	R6 850 plus 36 per cent of the amount by which the taxable income exceeds R30 000;
,, R40 000 ,, ,, ,, ,, R50 000	R10 450 plus 38 per cent of the amount by which the taxable income exceeds R40 000;
" R50 000	R14 250 plus 40 per cent of the amount by which the taxable income exceeds R50 000;

(b) on each rand of the taxable income of any company (excluding taxable income referred to in subparagraphs *(c)*, *(d)* and *(e)*), 35 cents, or, in the case of a company which mines for gold on any gold mine and which is in terms of an option exercised by it exempt from the payment of secondary tax on companies, 48 cents;

(c) op elke rand van die belasbare inkomste wat deur 'n maatskappy uit die myn van goud op 'n goudmyn verkry word (met uitsluiting van soveel van die belasbare inkomste as wat volgens vasstelling van die Kommissaris toe te skryf is aan die inrekening by bruto inkomste van 'n bedrag bedoel in paragraaf *(j)* van die omskrywing van "bruto inkomste" in artikel 1 van die Hoofwet, maar na die in vergelyking bring van enige vasgestelde verlies ingevolge artikel 20(1) van die Hoofwet), 'n persentasie vasgestel ooreenkomstig die formule:

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

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

$$y = 58 - \frac{290}{x}$$

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

(d) op elke rand van die belasbare inkomste van 'n maatskappy wie se enigste of vernaamste besigheid in die Republiek die myn van goud is of was en waarvan die vasstelling van die belasbare inkomste vir die tydperk van aanslag nie op 'n vasgestelde verlies uitloop nie, wat volgens vasstelling van die Kommissaris toe te skryf is aan die inrekening by sy bruto inkomste van 'n bedrag bedoel in paragraaf *(j)* van die omskrywing van "bruto inkomste" in artikel 1 van die Hoofwet, 'n skaal gelyk aan die gemiddelde skaal van normale belasting of 35 sent, watter ook al die hoogste is: Met dien verstande dat vir die doeleindes van hierdie subparagraaf die gemiddelde skaal van normale belasting vasgestel word deur die totale normale belasting (met uitsondering van die belasting wat vir die tydperk van aanslag ooreenkomstig hierdie subparagraaf vasgestel is) wat deur die maatskappy betaal is ten opsigte van sy totale belasbare inkomste uit die myn van goud vir die tydperk vanaf 1 Julie 1916 tot die end van die tydperk waarvoor aangeslaan word, te deel deur die getal rande wat genoemde totale belasbare inkomste bevat;

(e) op elke rand van die belasbare inkomste wat deur 'n maatskappy uit die dryf van langtermynversekeringsbesigheid verkry word—

(i) waar bedoelde belasbare inkomste vasgestel is ingevolge die bepalings van artikel 28 van die Hoofwet, 43 sent; of

(ii) waar bedoelde belasbare inkomste vasgestel is ingevolge die bepalings van artikel 29 van die Hoofwet—

(aa) ten opsigte van sy individuele polishouerfonds, 30 sent; en

(bb) ten opsigte van sy maatskappypolishouerfonds, en korporatiewe fonds, 35 sent;

(f) op elke rand van soveel van die belasbare inkomste van 'n persoon (behalwe 'n maatskappy) wat R50 000 in die geval van 'n persoon anders as 'n getroude vrou of R175 000 in die geval van 'n getroude vrou, te bowe gaan, 3,33 sent: Met dien verstande dat by die toepassing van hierdie subparagraaf, word die belasbare inkomste van 'n persoon vasgestel sonder om 'n bedrag soos beoog in artikel 7A(4A) van die Hoofwet en paragraaf 7 van die Tweede Bylae by bedoelde Wet, in te sluit;

(g) op elke rand van soveel van die belasbare inkomste van 'n maatskappy wat R50 000 te bowe gaan, 5 sent: Met dien verstande dat by die toepassing van hierdie subparagraaf, word die belasbare inkomste van die maatskappy vasgestel sonder die verrekening van enige aangeslane verlies deur die maatskappy in enige vorige jaar van aanslag gely.

2. (1) By die toepassing van paragraaf 1 sluit inkomste uit die myn van goud verkry inkomste in wat verkry is van silwer, osmiridium, uraan, piriet of ander minerale wat in die loop van die myn van goud gewin word, en enige ander

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

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

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

$$y = 58 - \frac{290}{x}$$

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

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

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

(i) where such taxable income has been determined in terms of the provisions of section 28 of the principal Act, 43 cents; or

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

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

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

(f) on each rand of so much of the taxable income of any person (other than a company) as exceeds R50 000 in the case of a person other than a married woman or R175 000 in the case of a married woman, 3,33 cents: Provided that for the purposes of this subparagraph, the taxable income of a person shall be determined without the inclusion of any amount contemplated in section 7A(4A) of the principal Act and paragraph 7 of the Second Schedule to the said Act;

(g) on each rand of so much of the taxable income of any company as exceeds R50 000, 5 cents: Provided that for the purposes of this subparagraph, the taxable income of the company shall be determined without the set-off of any balance of assessed loss incurred by the company in any previous year of assessment.

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 mining for gold, and any

inkomste wat volgens die oordeel van die Kommissaris regstreeks uit die myn van goud voortvloei.

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

3. By die toepassing van die Hoofwet, sal enige bedrag vasgestel ingevolge paragraaf 1*(f)* of *(g)* bekend staan as die oorgangsheffing.

4. 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 which, in the opinion of the Commissioner, results directly from mining for gold.

(2) The tax determined 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. For the purposes of the principal Act, any amount determined in accordance with paragraph 1*(f)* or *(g)* shall be known as the transition levy.

4. 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.

GEDRUK DEUR CREDA PRESS, KAAPSTAD, VIR DIE STAATSDRUKKER, PRETORIA, TEL. (012) 323-9731 X267—10000
PRINTED BY CREDA PRESS, CAPE TOWN, FOR THE GOVERNMENT PRINTER, PRETORIA, TEL. (012) 323-9731 X267—10000