



G 68G
8.559



STAATSKOERANT

VAN DIE REPUBLIEK VAN SUID-AFRIKA

REPUBLIC OF SOUTH AFRICA

GOVERNMENT GAZETTE

As 'n Nuusblad by die Poskantoor Geregistreer

Registered at the Post Office as a Newspaper

PRYS 40c PRICE

Plus AVB/GST

BUITELANDS 50c ABROAD

POSVRY · POST FREE

Vol. 230

KAAPSTAD, 22 AUGUSTUS 1984

No. 9379

CAPE TOWN, 22 AUGUST 1984

KANTOOR VAN DIE EERSTE MINISTER

OFFICE OF THE PRIME MINISTER

No. 1782.

22 Augustus 1984

No. 1782.

22 August 1984

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

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

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

ALGEMENE VERDUIDELIKENDE NOTA:

[] Woorde in vet druk tussen vierkantige hake dui skrapings 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 1985 en 30 Junie 1985, en deur maatskappye ten opsigte van belasbare inkomstes vir jare van aanslag wat eindig gedurende die tydperk van 12 maande eindigende op 31 Maart 1985; tot wysiging van die Inkomstebelastingwet, 1962; tot wysiging van die Konsolidasiewet op Finansiële Reëlinswette, 1977, ten einde 'n vrystelling van inkomstebelasting ten opsigte van sekere behuisingsvoordele te skrap; tot wysiging van die Wet op Besoldiging van Regters, 1978, ten einde 'n vrystelling van inkomstebelasting ten opsigte van sekere toelaes te skrap; om artikel 61 van die Inkomstebelastingwet, 1983, te herroep; en om vir bykomstige aangeleenthede voorsiening te maak.

(Afrikaanse teks deur die Staatspresident geteken.)
(Goedgekeur op 12 Julie 1984.)

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

Skale van normale belasting.

1. Die skale van normale belasting wat ooreenkomstig artikel 5 (2) van die Inkomstebelastingwet, 1962 (Wet No. 58 van 1962), hieronder die Hoofwet genoem, 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 1985 of 30 Junie 1985; en
- (b) die belasbare inkomste van 'n maatskappy vir 'n jaar 10 van aanslag wat eindig gedurende die tydperk van 12 maande eindigende op 31 Maart 1985,

is soos uiteengesit in Bylae 1 by hierdie Wet.

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,

- 2.** (1) Artikel 1 van die Hoofwet word hierby gewysig—
 - (a) deur aan die end van paragraaf (b) van die omskrywing 15 van "aandehouer" die woord "of" by te voeg en die volgende paragraaf by daardie omskrywing te voeg:

“(c) met betrekking tot 'n beslote korporasie, 'n lid van sodanige korporasie;”;
 - (b) deur na die omskrywing van “bepaalde tydperk” die 20 volgende omskrywing in te voeg:

“beslote korporasie’ 'n beslote korporasie ooreenkomstig die bedoeling van die Wet op Beslote Korporasies, 1984 (Wet No. 69 van 1984);”;
 - (c) deur paragraaf (c) van die omskrywing van “bruto inkomste” deur die volgende paragraaf te vervang:

“(c) 'n bedrag, met inbegrip van 'n vrywillige toekenning, ontvang of toegeval ten opsigte van bewese

INCOME TAX ACT, 1984

Act No. 121, 1984

GENERAL EXPLANATORY NOTE:

- []** Words in bold type in square brackets indicate omissions from existing enactments.
- Words underlined with solid line indicate insertions in existing enactments.

ACT

To fix the rates of normal tax payable by persons other than companies in respect of taxable incomes for the years of assessment ending on 28 February 1985 and 30 June 1985, and by companies in respect of taxable incomes for years of assessment ending during the period of 12 months ending on 31 March 1985; to amend the Income Tax Act, 1962; to amend the Finance and Financial Adjustments Acts Consolidation Act, 1977, so as to delete an exemption from income tax in respect of certain housing benefits; to amend the Judges' Remuneration Act, 1978, so as to delete an exemption from income tax in respect of certain allowances; to repeal section 61 of the Income Tax Act, 1983; and to provide for incidental matters.

*(Afrikaans text signed by the State President.)
(Assented to 12 July 1984.)*

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

1. The rates of normal tax to be levied in terms of section 5 (2) of the Income Tax Act, 1962 (Act No. 58 of 1962), herein-
5 after referred to as the principal Act, in respect of—
 - (a) the taxable income of any person other than a company for the year of assessment ending 28 February 1985 or 30 June 1985; and
 - 10 (b) the taxable income of any company for any year of assessment ending during the period of 12 months ending on 31 March 1985,
 shall be as set forth in Schedule 1 to this Act.

2. (1) Section 1 of the principal Act is hereby amended—
 - 15 (a) by the insertion after the definition of "child" of the following definition:
 "close corporation" means a close corporation within
 the meaning of the Close Corporations Act, 1984
 (Act No. 69 of 1984);";
 - 20 (b) by the substitution for paragraph (a) of the definition of "company" of the following paragraph:
 "(a) any association, corporation or company (other than a close corporation) incorporated or deemed to be incorporated by or under any law in force or previously in force in the Republic or in any part thereof, or any body corporate formed or established or deemed to be formed or established by or
 25 under any such law; or";

Rates of normal tax.

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,

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

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 en
artikel 1 van
Wet 30 van 1984.

dienste of van dienste wat nog bewys moet word of 'n bedrag (behalwe 'n bedrag in artikel 8 (1) bedoel) ontvang of toegeval ten opsigte van of uit hoofde van enige diens of die bekleding van 'n amp: Met dien verstande dat—

- (i) die bepalinge van hierdie paragraaf nie van toepassing is nie ten opsigte van 'n voordeel of bate ten opsigte waarvan die bepalinge van paragraaf (i) van toepassing is;
- (ii) 'n bedrag ontvang deur of toegeval aan of ten voordele van 'n persoon ten opsigte van dienste wat deur 'n ander persoon gelewer is of moet word, by die toepassing van hierdie omskrywing geag word ontvang te gewees het deur of toe te geval het aan bedoelde ander persoon;
- (iii) behoudens die bepalinge van paragraaf (iv) en (vi) van hierdie voorbehoudsbepaling, 'n bedrag ontvang deur of toegeval aan 'n werknemer of die bekleër van 'n amp by wyse van 'n toelae of voorskot deur sy prinsipaal (synde sy werkgewer of die owerheid, maatskappy, liggaam of ander organisasie in verband waarmee bedoelde amp bekleë word) verleen, sodat bedoelde toelae of voorskot geheel of gedeeltelik gebruik kan word vir die doeleinde van die bestryding van onthaalonkoste aangegaan of aangegaan te word, by die toepassing van hierdie paragraaf geag word ontvang te gewees het deur of toe te geval het aan bedoelde werknemer of ampsbkleër, na gelang van die geval, ten opsigte van dienste wat deur hom gelewer is of moet word;
- (iv) paragraaf (iii) van hierdie voorbehoudsbepaling nie van toepassing is nie ten opsigte van enige gedeelte van 'n toelae of voorskot in daardie paragraaf bedoel wat, volgens die Kommissaris se oortuiging, nie op onthaalonkoste betrekking het nie;
- (v) 'n beslissing van die Kommissaris kragtens paragraaf (iv) aan beswaar en appél onderhevig is;
- (vi) die bepalinge van paragraaf (iii) van hierdie voorbehoudsbepaling nie van toepassing is nie ten opsigte van 'n bedrag ontvang deur of toegeval aan 'n werknemer of ampsbkleër in die mate waarin bedoelde bedrag 'n voorskot is vir, of 'n terugbetaling is van, onthaalonkoste werklik gedurende die jaar van aanslag deur die werknemer of ampsbkleër aangegaan of aangegaan te word by die onthaal, in opdrag van sy genoemde prinsipaal, van persone ten behoeve van bedoelde prinsipaal, mits die werknemer of ampsbkleër aan genoemde prinsipaal bewys gelewer het dat bedoelde onkoste soos vermeld, aangegaan is en aan hom rekenskap van bedoelde onkoste gegee het;";

(d) deur paragraaf (i) van genoemde omskrywing deur die volgende paragraaf te vervang:

“(i) die kontantekwivalent, soos ingevolge die bepalinge van die Sewende Bylae vasgestel, van die waarde gedurende die jaar van aanslag van [kwartiere of losies of huisvesting of van] enige [ander] voordeel of bate ten opsigte van diens of aan 'n ampsbkleër verleen, synde 'n belasbare voordeel soos in genoemde Bylae omskryf, [met inbegrip van] en 'n bedrag wat ingevolge artikel 8A by die belastingpligtige se inkomste ingereken moet word;”;

INCOME TAX ACT, 1984

Act No. 121, 1984

- (c) by the substitution for paragraph (d) of the definition of "company" of the following paragraph:
- "(d) any association (not being an association referred to in paragraph (a) or (f) or an association to which the provisions of **[paragraph (e) of subsection (1) of section ten]** section 10 (1) (e) apply) formed in the Republic to serve a specified purpose, beneficial to the public or a section of the public; or";
- (d) by the addition at the end of subparagraph (ii) of paragraph (e) of the definition of "company" of the word "or", and by the addition to the said definition of the following paragraph:
- "(f) a close corporation;";
- (e) by the insertion after the definition of "domestic company" of the following definition:
- "entertainment expenditure" means expenditure incurred in providing hospitality of any kind, including, without limiting the scope of this definition, expenditure incurred in providing or supplying—
- (a) food, drink or accommodation; or
- (b) any ticket or voucher entitling any person to admission to any theatre, exhibition or club or to attend any show, display or performance or to use or enjoy any sporting, recreational or other facility; or
- (c) any gift of goods intended for the personal use or enjoyment of any person; or
- (d) any travel facility; or
- (e) any voucher entitling the recipient or any holder thereof to exchange it for food, drink or accommodation or any such ticket, voucher, gift or travel facility,
- and expenditure which is incidental to or is incurred in connection with the provision or supply of any such hospitality, food, drink, accommodation, ticket, voucher, gift or travel facility, but excluding such expenditure in respect of hospitality as is referred to in section 8 (1) (d);";
- (f) by the substitution for paragraph (c) of the definition of "gross income" of the following paragraph:
- "(c) any amount, including any voluntary award, received or accrued in respect of services rendered or to be rendered or any amount (other than an amount referred to in section 8 (1)) received or accrued in respect of or by virtue of any employment or the holding of any office: Provided that—
- (i) the provisions of this paragraph shall not apply in respect of any benefit or advantage in respect of which the provisions of paragraph (i) apply;
- (ii) any amount received by or accrued to or for the benefit of any person in respect of services rendered or to be rendered by any other person shall for the purposes of this definition be deemed to have been received by or to have accrued to the said other person;
- (iii) subject to the provisions of paragraphs (iv) and (vi) of this proviso, any amount received by or accrued to any employee or the holder of any office by way of an allowance or advance granted by his principal (being his employer or the authority, company, body or other organization in relation to which such office is held) in order that such allowance or advance may in whole or in part be utilized for the purpose of defraying entertainment expen-

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 and section 1 of Act 30 of 1984.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

(e) deur paragraaf (a) van die omskrywing van “maatskappy” deur die volgende paragraaf te vervang:

“(a) ’n vereniging, korporasie of maatskappy (behalwe ’n beslote korporasie) wat deur of ingevolge ’n wet wat in die Republiek of in ’n deel daarvan van 5 krag is of voorheen van krag was, ingelyf is of wat geag word aldus ingelyf te wees, of ’n regs persoon wat deur of ingevolge so ’n wet opgerig of ingestel is of wat geag word aldus opgerig of ingestel te wees; of”;

(f) deur paragraaf (d) van die omskrywing van “maatskappy” deur die volgende paragraaf te vervang:

“(d) ’n vereniging wat nie ’n in paragraaf (a) of (f) bedoelde vereniging is nie, en ook nie ’n vereniging waarop die bepalings van **[paragraaf (e) van subartikel (1) van artikel tien]** artikel 10 (1) (e) van toepassing is nie, en wat in die Republiek gestig is om ’n bepaalde doel ten bate van die publiek of ’n deel van die publiek te dien; of”;

(g) deur aan die end van subparagraaf (ii) van paragraaf (e) van die omskrywing van “maatskappy” die woord “of” by te voeg en die volgende paragraaf by daardie omskrywing te voeg:

“(f) ’n beslote korporasie;”;

(h) deur na die omskrywing van “ondersteunde goudmyn” 25 die volgende omskrywing in te voeg:

“‘onthaalonkoste’ onkoste aangegaan by die voorsiening van gasvryheid van enige aard, ook, sonder afbreuk aan die strekking van hierdie omskrywing, onkoste aangegaan by die voorsiening of verskaffing 30 van—

(a) kos, drank of huisvesting; of

(b) ’n kaartjie of bewysstuk wat iemand geregtig maak op toegang tot ’n teater, uitstalling of klub of om ’n skou, vertoning of opvoering by te woon of om ’n sport-, ontspannings- of ander fasiliteit te benut of geniet; of 35

(c) ’n geskenk van goedere wat bestem is vir iemand se persoonlike gebruik of genot; of

(d) ’n reisfasiliteit; of 40

(e) ’n bewysstuk wat die ontvanger of ’n houer daarvan geregtig maak om dit te verruil vir kos, drank of huisvesting of enige bedoelde kaartjie, bewysstuk, goedere of reisfasiliteit, 45

en onkoste wat gepaard is met of aangegaan is in verband met die voorsiening of verskaffing van enige bedoelde gasvryheid, kos, drank, huisvesting, kaartjie, bewysstuk, geskenk of reisfasiliteit, maar met uitsondering van die onkoste ten opsigte van gasvryheid wat in artikel 8 (1) (d) bedoel word;”;

(i) deur paragraaf (a) van die omskrywing van “uittreddingfunderingsdiens” deur die volgende paragraaf te vervang:

“(a) ’n werknemer of die bekleder van ’n amp (met inbegrip van ’n lid van ’n liggaam van persone, hetsy 55 by of ingevolge ’n wet ingestel of nie) **[die diens van bedoelde werknemer of die bekleding van bedoelde amp, al na die geval, indien]** wat—

(i) in die geval van bedoelde werknemer, **[hy]** ten opsigte van **[bedoelde]** 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 (iv) van bedoelde omskrywing) en ’n lid is van, of as ’n werknemer 65 bydra tot, ’n pensioenfonds of voorsorgfonds ingestel ten voordele van werknemers van die

INCOME TAX ACT, 1984

Act No. 121, 1984

- 5 purposes of this paragraph be deemed to have been received by or to have accrued to such employee or office holder, as the case may be, in respect of services rendered or to be rendered by him;
- 10 (iv) paragraph (iii) of this proviso shall not apply in respect of any portion of any allowance or advance referred to in that paragraph as the Commissioner is satisfied does not relate to entertainment expenditure;
- 15 (v) any decision of the Commissioner under paragraph (iv) shall be subject to objection and appeal;
- 20 (vi) the provisions of paragraph (iii) of this proviso shall not apply in respect of any amount received by or accrued to any employee or office holder to the extent to which such amount is an advance for, or a reimbursement of, entertainment expenditure actually incurred or to be incurred during the year of assessment by the employee or office holder on the instruction of his aforesaid principal in entertaining persons on behalf of such principal, provided the employee or office holder has produced proof to the said principal that such expenditure was incurred as aforesaid and has accounted to him for such expenditure;”;

(g) by the substitution for paragraph (i) of the said definition of the following paragraph:

- 30 “(i) the cash equivalent, as determined under the provisions of the Seventh Schedule, of the value during the year of assessment **[of any quarters or board or residence or]** of any **[other]** benefit or advantage granted in respect of employment or to the holder of any office, **being a taxable benefit as defined in the said Schedule, [including] and any** amount required to be included in the taxpayer’s income under section 8A;”;

40 (h) by the insertion after the definition of “prescribed” of the following definition:

- “**‘prescribed rate’, in relation to any interest payable in terms of this Act, means a rate of 15 per cent per annum or such other rate as the Minister of Finance may from time to time fix by notice in the *Gazette*;”;**

45 (i) by the substitution for paragraph (a) of the definition of “retirement-funding employment” of the following paragraph:

- 50 “(a) in relation to any employee or the holder of an office (including a member of a body of persons whether or not established by or in terms of any law), **[the employment of such employee or the holding of such office, as the case may be, if] who—**

- 55 (i) in the case of such employee, **[he]** derives in respect of **[such] his** employment any income constituting remuneration as defined in paragraph 1 of the Fourth Schedule (but leaving out of account the provisions of paragraph (iv)

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

(ii) in die geval van bedoelde ampsbekleder, [hy] ten opsigte van sy amp enige inkomste verkry by wyse van salaris, vergoeding, gelde of enige ander besoldiging en, met betrekking tot bedoelde amp, 'n lid is van of bydra tot 'n pensioenfonds of voorsorgfonds ingestel—
 (aa) by wet of ten voordele van bekleders van ampte; of
 (bb) ten voordele van werknemers van die persoon van wie bedoelde inkomste verkry is, [of]

die diens van bedoelde werknemer of die bekleding van bedoelde amp, al na die geval, met betrekking tot daardie gedeelte van sy genoemde inkomste wat in berekening gebring word by die vasstelling van die bydraes wat deur of ten behoeve van hom aan bedoelde pensioenfonds of voorsorgfonds gemaak word; of”; en

(j) deur na die omskrywing van “voorgeskrewe” of “voorgeskryf” die volgende omskrywing in te voeg: “‘voorgeskrewe koers’, met betrekking tot enige rente wat ingevolge hierdie Wet betaalbaar is, 'n koers van 15 persent per jaar of die ander koers wat die Minister van Finansies van tyd tot tyd by kennisgewing in die *Staatskoerant* bepaal;”.

(2) Die wysiging deur subartikel (1) (j) aangebring, tree op 1 September 1984 in werking.

3. Artikel 5 van die Hoofwet word hierby gewysig:

(a) deur in subartikel (10) die formule

$$“Y = \left(\frac{A - D}{B - C} \times B \right) + D” \quad 30$$

deur die formule

$$“Y = \frac{A}{B - C} \times B” \quad 35$$

te vervang;

(b) deur paragraaf (e) van subartikel (10) te skrap; en

(c) deur die voorbehoudsbepalings by subartikel (10) deur die volgende voorbehoudsbepaling te vervang:

“Met dien verstande dat die bedrag van normale belasting aldus betaalbaar in geen geval minder is nie as die bedrag van normale belasting wat hefbaar sou wees teen die betrokke skaal ingevolge subartikel (2) vasgestel ten opsigte van die eerste rand van belasbare inkomste, [min 'n bedrag gelyk aan 2 persent waar die belastingpligtige 'n getroude persoon is of 2,4 persent waar hy nie 'n getroude persoon is nie, van soveel van die belastingpligtige se belasbare inkomste vir genoemde jaar as was R6 000 te bowe gaan] en die bepaling van hierdie artikel nie so uitgelê word dat iemand van aanspreeklikheid vir belasting ingevolge hierdie Wet op enige gedeelte van sy belasbare inkomste onthef word nie [Met dien verstande voorts dat die voorgaande bepalinge van hierdie subartikel nie van toepassing is nie indien die normale belasting wat in die geval van die belastingpligtige ten opsigte van bedoelde jaar van aanslag hefbaar is, ingevolge die bepalinge van paragraaf 19 van die *Eerste Bylae* vasgestel is].”.

Wysiging van artikel 5 van Wet 58 van 1962, soos vervang deur artikel 2 van Wet 6 van 1963 en gewysig deur 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 77 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 en artikel 3 van Wet 94 van 1983.

Wysiging van artikel 6 van Wet 58 van 1962, soos ingevoeg deur

4. Artikel 6 van die Hoofwet word hierby gewysig—

(a) deur in paragraaf (a) van subartikel (2) die uitdrukking “R320” deur die uitdrukking “R460” te vervang.

INCOME TAX ACT, 1984

Act No. 121, 1984

- (ii) in the case of such holder of an office, **[he]** derives in respect of his office any income by way of salary, emoluments, fees or other remuneration and is, as respects such office, a member of or contributes to a pension fund or provident fund established—
- 5 (aa) by law or for the benefit of holders of offices; or
- 10 (bb) for the benefit of employees of the person from whom such income is derived, **[or]** the employment of such employee or the holding of such office, as the case may be, as respects that part of his said income as is taken into account in the determination of the contributions made by him or on his behalf to such pension fund or provident fund; or”; and
- 15 (j) by the addition at the end of paragraph (b) of the definition of “shareholder” of the word “or” and by the addition to that definition of the following paragraph:
- 20 “(c) in relation to any close corporation, means a member of such corporation;”.

(2) The amendment effected by subsection (1) (h) shall take effect on 1 September 1984.

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

- 25 (a) by the substitution in subsection (10) for the formula

$$“Y = \left(\frac{A - D}{B - C} \times B \right) + D”$$

of the formula

30
$$“Y = \frac{A}{B - C} \times B”;$$

- (b) by the deletion of paragraph (e) of subsection (10); and
- (c) by the substitution for the provisos to subsection (10) of the following proviso:
- 35 “Provided that in no case shall the amount of normal tax so payable be less than the amount of normal tax which would be chargeable at the relevant rate fixed in terms of subsection (2) in respect of the first rand of taxable income, **[less an amount equal to 2 per cent where the taxpayer is a married person or 2,4 per cent where he is not a married person of so much of the taxpayer’s taxable income for the said year as exceeds R6 000]** and nothing in this section contained shall be construed as relieving any person from liability for taxation under this Act upon any portion of his taxable income **[Provided further that the preceding provisions of this subsection shall not apply if the normal tax chargeable in the case of the taxpayer in respect of the said year has been determined under the provisions of paragraph 19 of the First Schedule].”**
- 40
- 45

Amendment of section 5 of Act 58 of 1962, as substituted by section 2 of Act 6 of 1963 and amended by 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 77 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 and section 3 of Act 94 of 1983.

4. Section 6 of the principal Act is hereby amended—

- 50 (a) by the substitution in paragraph (a) of subsection (2) for the expression “R320” of the expression “R460”; and
- 55 (b) by the substitution in paragraph (b) of subsection (2) for the expression “R240” of the expression “R380”.

Amendment of section 6 of Act 58 of 1962, as inserted by section 5 of Act 104 of 1980 and amended by section 5 of Act 96 of 1981, section 5 of Act 91 of 1982 and section 4 of

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

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 en artikel 8 van Wet 94 van 1983.

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

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

“(1) (a) Soveel van enige bedrag wat deur ’n persoon betaal is as ’n toelae of voorskot aan ’n direkteur, 5 bekleër van ’n amp, bestuurder, werknemer of ander persoon ten opsigte van **[reis- of onthaalkoste]** die onkoste van enige reis vir besigheidsdoeleindes of van enige ander dienste of enige onkoste aange- 10 gaan uit hoofde van die bekleding van ’n amp (uitgesonderd ’n toelae of voorskot in die bruto inkomste van die ontvanger ingesluit ingevolge die 15 bepaling van paragraaf (iii) van die voorbehoudsbepaling by paragraaf (c) van die omskrywing van ‘bruto inkomste’ in artikel 1), as wat nie volgens die Kommissaris se oortuiging werklik 20 deur die ontvanger aan sodanige reis **[of onthaal]** of by die verrigting van sodanige dienste of omrede die pligte verbonde aan sy amp bestee is nie, 25 word geag deel van die belasbare inkomste van die ontvanger uit te maak.

(b) By die toepassing van paragraaf (a)—

(i) word ’n toelae of voorskot ten opsigte van reiskoste, in die mate waarin bedoelde toelae of voorskot deur die ontvanger aan private reise bestee is (met inbegrip van reise 25 tussen sy woonplek en sy werk- of besigheidsplek of ander reise vir sy private of huishoudelik doeleindes onderneem) geag nie werklik 30 aan reis vir besigheidsdoeleindes bestee te gewees het nie: Met dien verstande dat—

(aa) die gedeelte van bedoelde toelae of voorskot (behalwe ’n toelae of voorskot in artikel 10 (1) (nD) bedoel) wat ten opsigte 35 van die jaar van aanslag eindigende op 28 Februarie 1986 ingevolge paragraaf (a) verreken staan te word, 50 persent is van die volle bedrag ingevolge daardie paragraaf vasgestel, voor die toepassing van hierdie voorbehoudsbepaling; 40

(bb) die bepaling van paragraaf (aa) van hierdie voorbehoudsbepaling nie van toepassing is nie ten opsigte van enige gedeelte van ’n toelae of voorskot wat volgens die Kommissaris se oortuiging buitensporig is 45 met inagneming van soortgelyke toelae deur die betrokke werkgewer of prinsipaal aan genoemde ontvanger of aan ander persone toegestaan gedurende die 50 jare van aanslag wat op of voor 28 Februarie 1985 geëindig het of eindig;

(ii) behoudens die bepaling van subparagraaf (iii), waar bedoelde toelae of voorskot aan die ontvanger betaal is sodat dit gebruik kan word 55 ter bestryding van uitgawes ten opsigte van ’n motorvoertuig deur die ontvanger gebruik, word die gedeelte van die toelae deur die ontvanger gedurende die jaar van aanslag vir besigheidsdoeleindes bestee, tensy ’n aanvaarbare 60 berekening gebaseer op akkurate gegewens deur die ontvanger verstrekk word, geag ’n bedrag te wees wat vasgestel word deur die tarief per kilometer deur die Minister van Finansies by kennisgewing in die *Staatskoerant* bepaal vir die kategorie voertuig wat 65 gebruik is, toe te pas op ’n afstand gedurende genoemde jaar vir besigheidsdoeleindes (behalwe private reise soos in subparagraaf (i)

INCOME TAX ACT, 1984

Act No. 121, 1984

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

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

5 “(1) (a) So much of any amount which has been paid
by any person as an allowance or advance to a di-
10 rector, holder of any office, manager, employee or
other person in respect of the expenses of any trav-
elling **[entertainment]** on business or of any other
service or any expenses incurred by reason of the
15 holding of any office (excluding any allowance or
advance included in the gross income of the recipi-
ent under the provisions of paragraph (iii) of the
proviso to paragraph (c) of the definition of ‘gross
income’ in section 1) as the Commissioner is not
20 satisfied was actually expended by the recipient on
such travelling **[or entertainment]** or in the per-
formance of such service, or by reason of the du-
ties attendant upon his office, shall be deemed to
be part of the taxable income of the recipient.

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
and section 8 of
Act 94 of 1983.

20 (b) For the purposes of paragraph (a)—

25 (i) any allowance or advance in respect of trans-
port expenses shall, to the extent to which
such allowance or advance has been expended
by the recipient on private travelling (includ-
ing travelling between his place of residence
and his place of employment or business or
any other travelling done for his private or
domestic purposes), be deemed not to have
30 been actually expended on travelling on busi-
ness: Provided that—

35 (aa) the portion of such allowance or advance
(other than an allowance or advance refer-
red to in section 10 (1) (nD)) which is
in respect of the year of assessment end-
ing on 28 February 1986 to be accounted
for under paragraph (a) shall be 50 per
cent of the full amount as determined
under that paragraph, before the applica-
tion of this proviso;

40 (bb) the provisions of paragraph (aa) of this
proviso shall not apply in respect of any
portion of any allowance or advance
which the Commissioner is satisfied is ex-
cessive having regard to similar allow-
45 ances granted by the employer or princi-
pal concerned to the said recipient or to
other persons during the years of assess-
ment ended or ending on or before 28
February 1985;

50 (ii) subject to the provisions of subparagraph (iii),
where such allowance or advance has been
paid to the recipient in order that it may be
utilized for defraying expenditure in respect of
any motor vehicle used by the recipient, the
55 portion of the allowance expended by the re-
cipient during the year of assessment for busi-
ness purposes shall, unless an acceptable cal-
culation based on accurate data is furnished
by the recipient, be deemed to be an amount
60 calculated by applying the rate per kilometre
fixed by the Minister of Finance by notice in
the *Gazette* for the category of vehicle used,
on a distance travelled during the said year for
business purposes (other than private trav-
elling as contemplated in subparagraph (i));
65 Provided that—

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

(aa) die ontvanger, tensy die teendeel blyk, geag word die voertuig gedurende die jaar van aanslag vir bedoelde private reise te gebruik het oor 'n afstand van 10 000 kilometers of die korter afstand wat deur die belastingpligtige bewys word werklik gedurende bedoelde jaar soos voormeld afgelê is; 5

(bb) waar die voertuig gedurende 'n tydperk in bedoelde jaar gebruik is wat minder is as die volle tydperk van bedoelde jaar, die verwysing in paragraaf (aa) van hierdie voorbehoudsbepaling na 'n afstand van 10 000 kilometers uitgelê word as 'n verwysing na 'n afstand wat in dieselfde verhouding tot 10 000 kilometers staan as die verhouding waarin die tydperk van gebruik tot 12 maande staan; 10

(iii) waar bedoelde toelae of voorskot gebaseer is op die werklike afstand wat deur die ontvanger afgelê is met die gebruik van 'n motorvoertuig op besigheid (behalwe genoemde private reise), of waar bedoelde werklike afstand ten genoeg van die Kommissaris bewys word afgelê te gewees het, word die bedrag deur die ontvanger aan bedoelde besighedsreise bestee, geag, tensy die teendeel blyk, 'n bedrag te wees wat oor bedoelde werklike afstand vasgestel is teen die skaal per kilometer wat die Minister van Finansies by kennisgewing in die *Staatskoerant* bepaal het vir die kategorie voertuig wat gebruik is. 20 25 30

(c) Waar 'n toelae aan die bekleër van 'n amp of aan 'n werknemer gegee word vir onkoste aangegaan of wat aangegaan staan te word ten opsigte van persoonlike verblyf en toevallige uitgawes terwyl bedoelde ampsbekleër of werknemer vanweë die pligte van sy amp of diens verplig is om ten minste een nag weg van sy gewone woonplek deur te bring, word soveel van bedoelde toelae as wat, tersame met enige bedrae wat deur die werkgewer ten opsigte van enige van genoemde onkoste (behalwe die koste van huisvesting) uitgegee is, nie 'n bedrag bereken teen R100 vir elke dag of gedeelte van 'n dag in die tydperk waartydens hy aldus afwesig is indien die toelae aan hom gegee is om die onkoste van huisvesting (behalwe huisvesting deur die werkgewer verskaf) sowel as etes en ander toevallige uitgawes te bestry, of, in enige ander geval, R50 vir elke dag of gedeelte van 'n dag in genoemde tydperk, te bowe gaan nie, geag vir die doeleindes van paragraaf (a) werklik deur hom bestee te gewees het ten opsigte van genoemde onkoste: Met dien verstande dat die bepalings van hierdie paragraaf nie van toepassing is nie indien bedoelde ampsbekleër of werknemer bewys lewer dat die uitgawes deur hom aangegaan die bedrag aldus bereken te bowe gaan. 35 40 45 50 55

(d) 'n Toelae wat aan die bekleër van 'n openbare amp in paragraaf (e) bedoel, toegestaan is om hom in staat te stel om onkoste te bestry wat in verband met bedoelde amp deur hom aangegaan is, word by die toepassing van paragraaf (a) geag deur hom aldus uitgegee te gewees het in die mate waarin onkoste wat op bedoelde toelae betrekking het, werklik vir die doeleindes van sy amp deur hom aangegaan is ten opsigte van— 60 65

(i) sekretariële dienste, afroldienste, skryfbehoeftes, posgeld, telefoonoproepe, die huur

INCOME TAX ACT, 1984

Act No. 121, 1984

- 5 (aa) the recipient shall, unless the contrary appears, be deemed to have used the vehicle during such year for such private travelling over a distance of 10 000 kilometres or such shorter distance as is shown by the taxpayer to have been actually covered during such year as aforesaid;
- 10 (bb) where the vehicle has been used during a period in such year which is less than the full period of such year, the reference in paragraph (aa) of this proviso to a distance of 10 000 kilometres shall be construed as a reference to a distance which bears to 10 000 kilometres the same ratio as the period of use bears to 12 months;
- 15
- 20 (iii) where such allowance or advance is based on the actual distance travelled by the recipient in using a motor vehicle on business (excluding the said private travelling), or such actual distance is proved to the satisfaction of the Commissioner to have been travelled by the recipient, the amount expended by the recipient on such business travelling shall, unless the contrary appears, be deemed to be an amount determined on such actual distance at the rate per kilometre fixed by the Minister of Finance by notice in the *Gazette* for the category of vehicle used.
- 25
- 30 (c) Where any allowance is given to the holder of any office or to any employee for expenses incurred or to be incurred in respect of personal subsistence and incidental costs while such office holder or employee is by reason of the duties of his office or employment obliged to spend at least one night away from his usual place of residence, so much of such allowance as, together with any amounts expended by the employer in respect of any of the said costs (other than the cost of accommodation), does not exceed an amount calculated at the rate of R100 for each day or part of a day in the period during which he is so absent if the allowance is given to him to defray the cost of accommodation (other than accommodation supplied by the employer) as well as meals and other incidental costs, or, in any other case, R50 per day for each day or part of a day in the said period, shall be deemed for the purposes of paragraph (a) to have been actually expended by him in respect of the said expenses: Provided that the provisions of this paragraph shall not apply if such office holder or employee proves that the expenses so incurred by him exceed the amount so calculated.
- 35
- 40
- 45
- 50
- 55 (d) Any allowance granted to the holder of any public office contemplated in paragraph (e) to enable him to defray expenditure incurred by him in connection with such office shall for the purposes of paragraph (a) be deemed to have been so expended by him to the extent that expenditure relevant to such allowance has actually been incurred by him for the purposes of his office in respect of—
- 60 (i) secretarial services, duplicating services, stationery, postage, telephone calls, the hire of

- van kantoorakkommodasie en die instandhouding van bedoelde akkommodasie;
- (ii) reis;
- (iii) gasvryheid verleen by 'n amptelike of burgerlike geleentheid wat daar van die bekleër van bedoelde amp normaalweg uit hoofde van die aard van bedoelde amp verwag word om te reël; 5
- (iv) gasvryheid van 'n toevallige aard: Met dien verstande dat die onkoste wat in enige jaar van aanslag ingevolge hierdie subparagraaf in aanmerking kom, nie meer is nie as die minste van 'n bedrag gelyk aan 5 persent van die som van die bedrae deur genoemde bekleër gedurende genoemde jaar van aanslag verkry by wyse van bedoelde toelae en enige besoldiging ten opsigte van bedoelde amp of R2 500; 10
- (v) verblyf- en toevallige onkoste aangegaan in die omstandighede in paragraaf (c) bedoel; 15
- (e) By die toepassing van paragraaf (d) beteken die bekleër van 'n openbare amp ook— 20
- (i) die Staatspresident, 'n Minister of Adjunkminister van die Republiek, 'n lid van die Parlement, 'n lid van die Presidentsraad, die administrateur van 'n provinsie of 'n lid van die uitvoerende komitee van 'n provinsie; 25
- (ii) 'n lid van 'n instelling of liggaam beoog in artikel 84 (1) (f) van die Grondwet van die Republiek van Suid-Afrika, 1961 (Wet No. 32 van 1961); en 30
- (iii) iemand wat die amp beklee van president, voorsitter of hoof-uitvoerende beampte van 'n organisasie sonder winsbejag wat ten genoeë van die Kommissaris bewys word op 'n nasionale of streeksgrondslag ingerig te wees om persone met gemeenskaplike belange te verteenwoordig en waarvan die fondse geheel of hoofsaaklik uit intekengelde van lede of skenkings van die groot publiek verkry word.”; 35
- (b) deur paragraaf (a) van subartikel (4) deur die volgende paragraaf te vervang: 40
- “(a) By die belastingpligtige se inkomste word ingereken alle bedrae wat ingevolge die bepalings van artikels 11 tot en met 20, artikel 24D en artikel 27 (2) (b) en (d) van hierdie Wet, behalwe artikel 11 (k), (p) en (q), artikel 11quin, artikel 12 (2), of artikel 12 (2) soos toegepas deur artikel 12 (3), artikel 12A (3), artikel 13 (5), of artikel 13 (5) soos toegepas deur artikel 13 (8), of artikel 13bis (7), of artikel 15 (a), of artikel 15A, of ingevolge die ooreenstemmende bepalings van 'n vorige Inkomstebelastingwet toegelaat is, hetsy in die lopende of 'n vorige jaar van aanslag, om afgetrek of verreken te word, en gedurende die lopende jaar van aanslag verhaal of vergoed is.”; 45
- (c) deur subparagraaf (ii) van paragraaf (bA) van subartikel (5) deur die volgende subparagraaf te vervang: 50
- “(ii) in die geval van 'n huur wat op of na 1 September 1983 gesluit is, sonder die betaling van enige huurgeld of ander vergoeding of behoudens die betaling van 'n vergoeding wat nominaal is met betrekking tot die billike markwaarde van die eiendom.”; 55
- (d) deur subparagraaf (ii) van paragraaf (bB) van subartikel (5) deur die volgende subparagraaf te vervang: 60
- “(ii) word die voormalige verhuurder van die betrokke eiendom, of die eienaar daarvan, na gelang van die geval, tot dat die teendeel...” 65

INCOME TAX ACT, 1984

Act No. 121, 1984

- office accommodation and the maintenance of such accommodation;
- (ii) travelling;
- 5 (iii) hospitality extended at any official or civic function which the holder of such office is by reason of the nature of such office normally expected to arrange;
- (iv) hospitality of a casual nature: Provided that the expenditure qualifying under this subparagraph 10 in any year of assessment shall not exceed the lesser of an amount equal to 5 per cent of the sum of the amounts derived by the said holder during the said year by way of such allowance and any remuneration in respect of such office or R2 500;
- 15 (v) subsistence and incidental costs incurred in the circumstances contemplated in paragraph (c).
- (e) For the purposes of paragraph (d) the holder of a 20 public office includes—
- (i) the State President, a Minister or Deputy Minister of the Republic, a member of Parliament, a member of the President's Council, the administrator of a province or any 25 member of the executive committee of a province;
- (ii) any member of any institution or body contemplated in section 84 (1) (f) of the Republic of South Africa Constitution Act, 1961 (Act 30 No. 32 of 1961); and
- (iii) a person occupying the office of president, chairman or chief executive officer of any non-profitmaking organization shown to the satisfaction of the Commissioner to be organized 35 on a national or regional basis to represent persons with common interests and the funds of which are derived wholly or mainly from subscriptions of members or donations from the general public.”;
- 40 (b) by the substitution for paragraph (a) of subsection (4) of the following paragraph:
- “*(a)* There shall be included in the taxpayer's income all amounts allowed to be deducted or set off under the provisions of sections 11 to 20, inclusive, 45 section 24D and section 27 (2) (b) and (d) of this Act, except section 11 (k), (p) and (q), section 11quin, section 12 (2) or section 12 (2) as applied by section 12 (3), section 12A (3), section 13 (5), or section 13 (5) as applied by section 13 (8), or 50 section 13bis (7), or section 15 (a), or section 15A, or under the corresponding provisions of any previous Income Tax Act, whether in the current or any previous year of assessment which have been recovered or recouped during the current year of 55 assessment.”;
- (c) by the substitution for subparagraph (ii) of paragraph (bA) of subsection (5) of the following subparagraph:
- “*(ii)* in the case of a lease entered into on or after 1 September 1983, without the payment of any rental or other consideration or subject to the payment 60 of any consideration which is nominal in relation to the fair market value of the property,”;
- (d) by the substitution for subparagraph (ii) of paragraph (bB) of subsection (5) of the following subparagraph:
- 65 “*(ii)* the former lessor of the property in question, or the owner thereof, as the case may be, shall, unless and until the contrary is proved, be deemed to have consented to the former lessee using, enjoy-

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

der die eiendom gebruik, geniet of daarmee handel soos in genoemde paragraaf beoog indien, aan die einde van 'n tydperk van drie maande gereken vanaf die dag na die datum waarop die betrokke huur beëindig is, die voormalige verhuurder nie 'n aksie ingestel het nie om die voormalige huurder te verplig om die eiendom aan die voormalige verhuurder terug te besorg of om van besit daarvan afstand te doen of om daarvoor te beskik ooreenkomstig die bepalinge van die huurkontrak: Met dien verstande dat indien bedoelde huur op of na 31 Desember 1983 ten einde geloop het, genoemde tydperk van drie maande vanaf daardie datum gereken word;" en

(e) deur die volgende subparagraawe by paragraaf (bB) van subartikel (5) te voeg:

"(iv) indien na die beëindiging van 'n huur in genoemde paragraaf (bA) bedoel, die voormalige huurder verplig is om 'n vergoeding te betaal ten opsigte van sy reg om die betrokke eiendom te gebruik of te geniet of om daarmee te handel, maar ophou om bedoelde vergoeding te betaal of, in die geval van 'n huur in subparagraaf (ii) van genoemde paragraaf (bA) bedoel, ten opsigte van bedoelde reg 'n vergoeding betaal wat nominaal is met betrekking tot die billike markwaarde van die eiendom, word genoemde huur geag beëindig te wees het op die datum waarna die voormalige huurder nie langer verplig is om bedoelde vergoeding te betaal nie of, in die geval van 'n huur in genoemde subparagraaf (ii) bedoel, waarvandaan die vergoeding deur hom betaalbaar soos voormeld nominaal word;

(v) waar in die omstandighede bedoel in paragraaf 3B van Bylae 4 by die Verkoopbelastingwet, 1978, 'n huur geag word deel te wees van 'n huur wat opgehou het om te bestaan, word die hure geag een huur te wees."

(2) Die wysigings deur subartikel (1) (c), (d) en (e) aangebring, word, vir die doeleindes van aanslae ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van aanslag wat op of na 1 September 1983 geëindig het of eindig.

Wysiging van artikel 8B van Wet 58 van 1962, soos ingevoeg deur artikel 6 van Wet 104 van 1980.

6. Artikel 8B van die Hoofwet word hierby gewysig deur aan die end van paragraaf (b) van subartikel (3) die woord "of" by te voeg en die volgende paragraawe by daardie subartikel te voeg:

"(c) ten opsigte van 'n bedrag betaal of 'n bate uitgekeer deur 'n maatskappy aan 'n aandeelhouer by wyse van 'n lening of voorskot, indien—

(i) bedoelde aandeelhouer 'n voltydse werknemer van die maatskappy is;

(ii) bedoelde lening of voorskot aan die aandeelhouer in sy hoedanigheid van 'n werknemer gemaak word ingevolge 'n behuisingskema wat in die algemeen van toepassing is op werknemers van die maatskappy wat nie aandeelhouders van die maatskappy is nie; en

(iii) vanweë die betaling van bedoelde bedrag of die uitkering van bedoelde bate die aandeelhouer 'n belasbare voordeel soos in die Sewende Bylae beoog, verkry het en die kontantekwivalent van bedoelde belasbare voordeel in sy bruto inkomste ingereken staan te word ingevolge die bepalinge van paragraaf (i) van die omskrywing van 'bruto inkomste' in artikel 1; of

(d) op 'n bedrag betaal of 'n bate uitgekeer deur 'n beslote korporasie."

INCOME TAX ACT, 1984

Act No. 121, 1984

ing or dealing with the property as contemplated in the said paragraph if, at the end of a period of three months reckoned after the date on which the lease in question terminated, the former lessor has not instituted proceedings to compel the former lessee to return the property to the former lessor or to relinquish possession thereof or to dispose thereof in accordance with the terms of the lease: Provided that if such lease terminated on or before 31 December 1983 the said period of three months shall be reckoned from that date;” and

(e) by the addition to paragraph (bB) of subsection (5) of the following subparagraphs:

“(iv) if after the termination of a lease referred to in the said paragraph (bA) the former lessee is required to pay a consideration in respect of his right to use, enjoy or deal with the property in question but ceases to pay such consideration or, in the case of a lease referred to in subparagraph (ii) of the said paragraph (bA), pays a consideration in respect of such right which is nominal in relation to the fair market value of the property, the said lease shall be deemed to have been terminated on the date from which the former lessee is no longer required to pay such consideration or in the case of a lease referred to in the said subparagraph (ii), whereafter the consideration payable by him becomes nominal as aforesaid;

(v) where in the circumstances contemplated in paragraph 3B of Schedule 4 to the Sales Tax Act, 1978, a lease is deemed to be part of a lease which has ceased to exist, the leases shall be deemed to be one lease.”.

(2) The amendments effected by subsection (1) (c), (d) and (e) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 1 September 1983.

6. Section 8B of the principal Act is hereby amended by the addition at the end of paragraph (b) of subsection (3) of the word “or” and by the addition to the said subsection of the following paragraphs:

“(c) in respect of any amount paid or any asset distributed by a company to a shareholder by way of a loan or advance, if—

(i) such shareholder is a full-time employee of the company;

(ii) such loan or advance is made to the shareholder in his capacity as an employee under a housing scheme applying generally to employees of the company who are not shareholders of the company; and

(iii) by reason of the payment of such amount or the distribution of such asset the shareholder has derived any taxable benefit contemplated in the Seventh Schedule and the cash equivalent of such taxable benefit is to be included in his gross income under the provisions of paragraph (i) of the definition of “gross income” in section 1; or

(d) to any amount paid or asset distributed by a close corporation.”.

Amendment of section 8B of Act 58 of 1962, as inserted by section 6 of Act 104 of 1980.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

Wysiging van artikel 8C van Wet 58 van 1962, soos ingevoeg deur artikel 7 van Wet 96 van 1981.

7. Artikel 8C van die Hoofwet word hierby gewysig deur in subartikel (1) die woorde wat pragraaf (a) voorafgaan deur die volgende woorde te vervang:

“Waar op of na 2 Oktober 1981 'n persoon (behalwe 'n maatskappy), hieronder die verkoper genoem, 'n aandeel, of 'n belang in 'n aandeel, in 'n private maatskappy (behalwe 'n ledebelang in 'n beslote korporasie) aan 'n ander persoon van die hand gesit het teen 'n vergoeding waarvan die waarde meer is as die koste vir die verkoper van bedoelde aandeel of belang (of, indien daardie aandeel of belang deur die verkoper teen geen vergoeding verkry is nie, die markwaarde daarvan ten tyde van die verkryging), word bedoelde vergoeding, vir sover die waarde daarvan bedoelde koste of markwaarde, na gelang van die geval, oorskry, en vir sover die oorskot nie meer is nie as 'n bedrag gelyk aan soveel van die maatskappy se winste en reserwes (met inbegrip van 'n bedrag wat ingevolge die omskrywing van 'dividend' in artikel 1 geag word 'n wins te wees wat vir uitkering beskikbaar is) as wat, volgens oortuiging van die Kommissaris, deur die maatskappy onmiddellik vóór die transaksie vir die vandiehandsetting van bedoelde aandeel of belang deur die verkoper van krag geword het, uitgekeer kon gewees het en aan die verkoper by wyse van 'n dividend kon toegeval het, geag 'n dividend te wees wat op bedoelde tydstip deur die verkoper ontvang is of aan hom toegeval het, indien—”.

Wysiging van artikel 8D van Wet 58 van 1962, soos ingevoeg deur artikel 7 van Wet 96 van 1981.

8. Artikel 8D van die Hoofwet word hierby gewysig deur die woorde wat paragraaf (a) voorafgaan deur die volgende woorde te vervang:

“By die toepassing van hierdie Deel, waar die handelsvoorraad wat op of na 2 Oktober 1981 deur 'n persoon gehou word 'n aandeel, of 'n belang in 'n aandeel, in 'n private maatskappy (behalwe 'n beslote korporasie) insluit of dit daaruit bestaan, word daar by die inkomste wat deur daardie persoon verkry is—”.

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 en artikel 8 van Wet 103 van 1976.

9. Artikel 9 van die Hoofwet word hierby gewysig deur in subartikel (1) die volgende verdere voorbehoudsbepaling by paragraaf (e) te voeg:

“Met dien verstande voorts dat die bepalings van hierdie paragraaf nie uitgelê word in die sin dat dit aanspreeklikheid vir belasting kragtens hierdie Wet oplê op 'n betaling gemaak aan iemand in diens van die Regering, met inbegrip van die Suid-Afrikaanse Vervoerdienste, en wat buite die Republiek gestasioneer is, by wyse van 'n toelae ter bestryding van onkoste deur so iemand in verband met sy amppligte buite die Republiek aangegaan nie;”.

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

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

(a) deur in paragraaf (a) van subartikel (1) die woord “spoorwegadministrasie” deur die woorde “Suid-Afrikaanse Vervoerdienste” te vervang;

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

“(i) die salaris en besoldiging betaalbaar aan die Staatspresident en die Vise-staatspresident ten opsigte van die bekleding van hul ampte ingevolge die Grondwet van die Republiek van Suid-Afrika, 1961 (Wet No. 32 van 1961);”;

(c) deur in paragraaf (h) van subartikel (1) die woorde wat op subparagraaf (ii) volg en die voorbehoudsbepaling voorafgaan deur die volgende woorde te vervang:

“uit effekte of sekuriteite (met inbegrip van Skat-kisbiljette), uitgereik deur die Regering [of 'n ko-

INCOME TAX ACT, 1984

Act No. 121, 1984

7. Section 8C of the principal Act is hereby amended by the substitution in subsection (1) for the words preceding paragraph (a) of the following words:
- 5 “Where on or after 2 October 1981 any person (other than a company), hereinafter referred to as the seller, has disposed of any share, or interest in any share, in a private company (other than a member’s interest in a close corporation), to any other person for a consideration exceeding in value the cost to the seller of such share or interest (or, if such share or interest was acquired by the seller for no consideration, the market value thereof at the time of acquisition), the said consideration shall, to the extent that the value thereof exceeds the said cost or market value, as the case may be, and to the extent that such excess does not exceed an amount equal to so much of the company’s profits and reserves (including any amount deemed in terms of the definition of ‘dividend’ in section 1 to be a profit available for distribution) as the Commissioner is satisfied could, immediately before the transaction for the disposal of such share or interest by the seller took effect, have been distributed by the company and have accrued to the seller by way of a dividend, be deemed to be a dividend received by or accrued to the seller at the said time, if—”.
- 10
- 15
- 20
- Amendment of section 8C of Act 58 of 1962, as inserted by section 7 of Act 96 of 1981.
8. Section 8D of the principal Act is hereby amended by the substitution for the words preceding paragraph (a) of the following words:
- 25 “For the purposes of this Part, where the trading stock held by any person on or after 2 October 1981 includes or consists of any share, or any interest in any share, in a private company (other than a close corporation), there shall be included in the income derived by such person—”.
- 30
- Amendment of section 8D of Act 58 of 1962, as inserted by section 7 of Act 96 of 1981.
9. Section 9 of the principal Act is hereby amended by the addition in subsection (1) of the following further proviso to paragraph (e):
- 35 “Provided further that nothing in this paragraph shall be construed as imposing liability for taxation under this Act upon any payment made to any person who is employed by the Government, including the South African Transport Services, and is stationed outside the Republic, by way of an allowance for the purpose of meeting expenditure incurred by such person in connection with his official duties outside the Republic;”.
- 40
- 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 and section 8 of Act 103 of 1976.
10. (1) Section 10 of the principal Act is hereby amended—
- 45 (a) by the substitution in paragraph (a) of subsection (1) for the words “railway administration” of the words “South African Transport Services”;
- (b) by the substitution for subparagraph (i) of paragraph (c) of subsection (1) of the following subparagraph:
- 50 “(i) the salary and emoluments payable to the State President and the Vice State President in respect of the holding of their offices under the Republic of South Africa Constitution Act, 1961 (Act No. 32 of 1961)”;
- (c) by the substitution in paragraph (h) of subsection (1) for the words following upon subparagraph (ii) and preceding the proviso of the following words:
- 55 “from stock or securities (including Treasury Bills) issued by the Government **for any colony included**”.
- 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.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

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 en
artikel 9 van
Wet 94 van 1983.

lonie wat in die Republiek opgeneem is] met inbegrip van die Suid-Afrikaanse Vervoerdienste, of 'n plaaslike bestuur in die Republiek of die Elektrisiteitsvoorsieningskommissie of die Suid-Afrikaanse Uitsaaikorporasie:";

(d) deur die volgende paragraaf by die voorbehoudsbepaling by subparagraaf (i) van paragraaf (k) van subartikel (1) te voeg:

“(ee) op dividende ontvang deur of toegeval aan 'n maatskappy wat gedurende enige gedeelte van die jaar van aanslag 'n beslote korporasie is;”;

(e) deur na genoemde paragraaf (k) die volgende paragraaf in te voeg:

“(kA) 'n dividend deur 'n maatskappy uitgekeer gedurende die bepaalde tydperk van daardie maatskappy met betrekking tot 'n jaar van aanslag gedurende enige gedeelte waarvan die maatskappy 'n beslote korporasie was;”;

(f) deur na paragraaf (nA) van subartikel (1) die volgende paragrawe in te voeg:

“(nB) 'n voordeel of bate wat aan 'n werknemer (soos in paragraaf 1 van die Sewende Bylae omskryf) toegeval het weens die feit dat sy werkgewer (soos in genoemde paragraaf omskryf), as gevolg van die oorplasing van die werknemer vanaf een diensplek na 'n ander diensplek of die aanstelling van die werknemer as 'n werknemer van die werkgewer of die beëindiging van die werknemer se diens, die onkoste gedra het—

(i) van die vervoer van bedoelde werknemer, lede van sy huisgesin en die persoonlike goed en besittings van hom en die lede van sy huisgesin vanaf sy vorige woonplek na sy nuwe woonplek; of

(ii) wat deur die werknemer aangegaan is by sy intrek in permanente huisvesting by sy nuwe woonplek; of

(iii) van die huur van huisvesting in 'n hotel of elders vir die werknemer of lede van sy huisgesin gedurende die tydperk wat eindig 183 dae na sy oorplasing in werking getree het of na hy sy diens aanvaar het, na gelang van die geval, indien bedoelde huisvesting tydelik bewoon is hangende die verkryging van permanente huisvesting;

(nC) 'n voordeel of bate wat aan 'n werknemer, soos aldus omskryf, toeval by wyse van 'n toevallige vergunning, bydrae of ander betaling deur sy werkgewer, soos aldus omskryf, gemaak ten opsigte van die koste van opvoeding van bedoelde werknemer se kind of kinders, indien die besoldiging deur bedoelde werknemer van sy werkgewer verkry gedurende die jaar van aanslag waarin bedoelde voordeel of bate aan die werknemer toeval, die bedrag in artikel 66 (1) (b) (i) beoog nie te bowe gaan nie en die totaal van die waardes (synde die bedrae wat by ontstentenis van hierdie paragraaf in die werknemer se inkomste ingevolge hierdie Wet ingesluit sou gewees het) van alle bedoelde voordele of bates wat gedurende bedoelde jaar aan die werknemer toeval R750 nie te bowe gaan nie;

(nD) 50 persent van die belasbare gedeelte van 'n toelae of voorskot (behalwe 'n toelae of voorskot waarop die bepaling van paragraaf (iii) van die voorbehoudsbepaling by paragraaf (c) van die omskrywing van 'bruto inkomste' in artikel 1 van toepassing is) wat—

INCOME TAX ACT, 1984

Act No. 121, 1984

in the Republic] including the South African Transport Services, or any local authority within the Republic or the Electricity Supply Commission or the South African Broadcasting Corporation.”;

section 7 of Act 90 of 1972, section 7 of Act 65 of 1973, section 10 of Act 85 of 1974,

- 5 (d) by the addition to the proviso to subparagraph (i) of paragraph (k) of subsection (1) of the following paragraph:

section 8 of Act 69 of 1975, section 9 of Act 103 of 1976,

10 “(ee) to dividends received by or accrued to any company which during any portion of the year of assessment is a close corporation;”;

section 8 of Act 113 of 1977, section 4 of Act 101 of 1978,

- (e) by the insertion after the said paragraph (k) of the following paragraph:

section 7 of Act 104 of 1979, section 7 of Act 104 of 1980,

15 “(kA) any dividend distributed by a company during the specified period of that company in relation to a year of assessment during any portion of which the company was a close corporation;”;

section 8 of Act 96 of 1981, section 6 of Act 91 of 1982 and section 9 of Act 94 of 1983.

- (f) by the insertion after paragraph (nA) of subsection (1) of the following paragraphs:

20 “(nB) any benefit or advantage accruing to any em-

25 ployee (as defined in paragraph 1 of the Seventh Schedule) by reason of the fact that his employer (as defined in the said paragraph), has, in consequence of the transfer of the employee from one place of employment to another place of employment or the appointment of the employee as an employee of the employer or the termination of the employee’s employment, borne the expense—

30 (i) of transporting such employee, members of his household and the personal goods and possessions of himself and the members of his household from his previous place of residence to his new place of residence; or

35 (ii) incurred by the employee in settling in permanent residential accommodation at his new place of residence; or

40 (iii) of hiring residential accommodation in an hotel or elsewhere for the employee or members of his household during the period ending 183 days after his transfer took effect or after he took up his appointment, as the case may be, if such residential accommodation was occupied temporarily pending the obtaining of permanent residential accommodation;

45 (nC) any benefit or advantage accruing to any employee, as so defined, by way of an occasional grant, contribution or other payment made by his employer, as so defined, in respect of the expenses of educating such employee’s child or children, if the remuneration derived by such employee from his employer during the year of assessment during which such benefit or advantage accrues to the employee does not exceed the amount contemplated in section 66 (1) (b) (i) and the aggregate of the values (being the amounts which would but for this paragraph be included in the employee’s income under this Act) of all such benefits or advantages accruing to the employee during such year does not exceed R750;

60 (nD) 50 per cent of the taxable portion of any allowance or advance (other than any allowance or advance to which the provisions of paragraph (iii) of the proviso to paragraph (c) of the definition of ‘gross income’ in section 1 apply) which—

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

- (i) ontvang word deur of toeval aan 'n werknemer, soos aldus omskryf, of die bekleër van 'n amp gedurende die jaar van aanslag eindigende op 28 Februarie 1986 ter bestryding van onkoste gedurende daardie jaar aangegaan in verband met die diens van bedoelde werknemer of die bekleding van bedoelde amp, na gelang van die geval; en 5
- (ii) indien bedoelde toelae of voorskot gedurende die jaar van aanslag eindigende op 28 Februarie 1985 ontvang sou gewees het of sou toegeval het, ingevolge die bepalings van hierdie Wet of 'n ander wet nie aan belasting onderhewig sou gewees het nie, 10
- bedoelde belasbare gedeelte synde die bedrag wat by ontstentenis van hierdie paragraaf ingevolge die bepalings van artikel 8 (1) (a) by die belasbare inkomste van bedoelde werknemer of ampsbkleër insluitbaar sou wees; 15
- “(nE) 'n bedrag (met inbegrip van 'n belasbare voordeel ingevolge die bepalings van die Sewende Bylae vasgestel) ontvang deur of toegeval aan 'n werknemer, soos aldus omskryf, ingevolge 'n aandeel-aansporingskema bedryf vir die voordeel van werknemers van die belastingpligtige se werkgewer, soos aldus omskryf, wat verkry is— 20
- (i) by die kansellasië van 'n transaksie ingevolge waarvan die belastingpligtige aandeel ingevolge bedoelde skema gekoop het; of 25
- (ii) by die herkoop van die belastingpligtige, teen 'n prys wat die verkoopprijs aan hom nie te bowe gaan nie, van aandeel ingevolge bedoelde skema deur hom gekoop, 30
- indien as gevolg van bedoelde kansellasië of herkoop die belastingpligtige geen vergoeding of teenprestasie behalwe die terugbetaling van enige gedeelte van die koopprijs werklik deur hom betaal, ontvang het of daarop geregtig geword het nie;” 35
- (g) deur paragraaf (qA) deur die volgende paragraaf te vervang: 40
- “(qA) soveel van enige bedrag ontvang deur of toegeval aan iemand as wat tot bevrediging van die Kommissaris bewys word 'n *bona fide*-studiebeurs te wees wat toegeken is ten einde so iemand in staat te stel of aan hom hulp te verleen om by 'n erkende opvoedkundige of navorsingsinrigting te studeer, maar uitgesonderd 'n studiebeurs deur 'n werkgewer (behalwe 'n erkende opvoedkundige inrigting) of 'n verwante inrigting (soos in paragraaf 1 van die Sewende Bylae omskryf) met betrekking tot die werkgewer, verleen ten bate van 'n familielid van 'n werknemer van daardie werkgewer anders as ingevolge 'n beurskema wat deur die Kommissaris vir die doeleindes van hierdie paragraaf goedgekeur is: Met dien verstande dat 'n skema nie aldus goedgekeur word nie tensy— 55
- (i) die skema deur behoorlik omlynde reëls beheer word;
- (ii) die reëls van die skema bepaal dat die Kommissaris van alle wysigings van die reëls in kennis gestel moet word; 60
- (iii) die Kommissaris oortuig is dat die studiebeurse ingevolge die skema volgens meriete of behoefte toegeken word op aanbeveling van 'n verteenwoordigende liggaam van persone wat onpartydig optree; 65
- (iv) die studiebeurse ingevolge die skema toegeken word om leerlinge of studente in staat te stel om opvoedkundige inrigtings van 'n pu-

INCOME TAX ACT, 1984

Act No. 121, 1984

- 5 (i) is received by or accrues to any employee, as so defined, or the holder of any office during the year of assessment ending on 28 February 1986 for the purpose of defraying expenditure incurred during that year in connection with the employment of such employee or the holding of such office, as the case may be; and
- 10 (ii) if such allowance or advance had been received or had accrued during the year of assessment ending on 28 February 1985, would, by virtue of the provisions of this Act or any other law, not have been subject to tax, such taxable portion being the amount which but for this paragraph would be includable in the taxable income of such employee or office holder under the provisions of section 8 (1) (a);
- 15
- 20 (nE) any amount (including any taxable benefit determined under the provisions of the Seventh Schedule) received by or accrued to an employee, as so defined, under a share incentive scheme operated for the benefit of employees of the taxpayer's employer, as so defined, which was derived—
- 25 (i) upon the cancellation of a transaction under which the taxpayer purchased shares under such scheme; or
- 30 (ii) upon the repurchase from the taxpayer, at a price not exceeding the selling price to him, of shares purchased by him under such scheme, if in consequence of such cancellation or repurchase the taxpayer has not received or become entitled to receive any compensation or consideration other than the repayment of any portion of the purchase price actually paid by him;”;
- 35 (g) by the substitution for paragraph (qA) of subsection (1) of the following paragraph:
- 40 “(qA) so much of any amount received by or accrued to any person as is proved to the satisfaction of the Commissioner to be a *bona fide* scholarship or bursary granted to enable or assist such person to study at a recognized educational or research institution, but excluding any scholarship or bursary granted by any employer (other than a recognized educational institution) or any associated institution (as defined in paragraph 1 of the Seventh Schedule) in relation to the employer, for the benefit of a relative of any employee of that employer otherwise than under a scholarship or bursary scheme approved by the Commissioner for the purposes of this paragraph: Provided that a scheme shall not be so approved unless—
- 45 (i) the scheme is governed by properly defined rules;
- 50 (ii) the rules of the scheme provide that the Commissioner shall be notified of all amendments to the rules;
- 55 (iii) the Commissioner is satisfied that the scholarships or bursaries under the scheme are awarded on merit or according to need on the recommendation of a representative body of persons acting impartially;
- 60 (iv) the scholarships or bursaries under the scheme are awarded to enable pupils or students to study at educational institutions of a public

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

- blieke aard, behalwe primêre skole, by te woon, en om studiekursusse deur genoemde liggaam gespesifiseer, te volg;
- (v) 'n studiebeurs aan 'n leerling toegeken om 'n sekondêre skool by te woon nie 'n bedrag van R750 per jaar te bowe gaan nie;
- (vi) die kinders van alle werknemers van die werkgewer, afhange van enige objektiewe maatstaf, vir enige studiebeurse wat ingevolge die skema beskikbaar is, in aanmerking kan kom;
- (vii) geen studiebeurs wat ingevolge die skema goedgekeur is, beëindig, herroep of terruggetrek kan word nie bloot omrede die feit dat die dienste van 'n werknemer wat familie van die beurshouer is, om die een of ander rede beëindig is:

Met dien verstande voorts dat waar 'n lening deur so 'n werkgewer of verwante inrigting met betrekking tot die werkgewer toegestaan is, die kontant-ekwivalent van 'n belasbare voordeel wat ingevolge die bepaling van paragraaf 2 (f), saamgelees met paragraaf 11, van die Sewende Bylae in die werknemer se bruto inkomste ingereken staan te word, by die toepassing van hierdie paragraaf geag word 'n studiebeurs te wees;" en

(h) deur die volgende subparagraaf by paragraaf (t) van subartikel (1) te voeg:

"(x) van die Ontwikkelingsbank van Suider-Afrika gestig op 30 Junie 1983;"

(2) Die wysiging deur subartikel (1) (h) aangebring, word, vir die doeleindes van aanslae ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 30 Junie 1983 geëindig het of eindig.

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 19 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,

11. (1) Artikel 11 van die Hoofwet word hierby gewysig— 35

(a) deur na paragraaf (bA) die volgende paragraaf in te voeg:

"(bB) enige finansieringskoste deur die belastingpligtige

aangegaan ten opsigte van die koop- of kontrakprys verskuldig ingevolge 'n ooreenkoms vir die verkryging, installasie, oprigting of konstruksie van enige masjinerie, installasie, vliegtuig, gereedskap, werktuig of artikel wat op of na 15 Maart 1984 deur hom verkry is en wat vir die doeleindes van sy bedryf deur hom gebruik word, welke aftrekking in plaas is van enige aftrekking of vermindering ten opsigte van bedoelde finansieringskoste wat ingevolge 'n ander bepaling van hierdie Wet toelaatbaar mag wees: Met dien verstande dat enige bedoelde finansieringskoste wat bereken of betaalbaar is ten opsigte van 'n tydperk van meer as 12 maande wat verby die einde van die jaar van aanslag strek, by die toepassing van hierdie paragraaf geag word van dag tot dag gedurende genoemde tydperk aangegaan te gewees het;"

(b) deur paragraaf (vi) van die voorbehoudsbepaling by paragraaf (e) deur die volgende paragraaf te vervang:

"(vi) die waarde van masjinerie, gereedskap, werktuie of artikels wat deur die belastingpligtige vir die doeleindes van sy bedryf gebruik word, verminder word met die bedrag van enige aftrekking wat gemaak mag word ingevolge subartikel (1) van artikel 12 of ingevolge daardie subartikel soos deur subartikel (3) van bedoelde artikel toegepas of ingevolge die ooreenstemmende bepaling van 'n vorige Inkomstebelastingwet of ingevolge artikel 12A (2) of ingevolge artikel 27 (2) (d);"

INCOME TAX ACT, 1984

Act No. 121, 1984

character, other than primary schools, and to follow courses of study specified by the said body;

5 (v) a scholarship or bursary awarded to a pupil to attend a secondary school does not exceed an amount of R750 per annum;

(vi) the children of all employees of the employer may, depending upon any objective criterion, qualify for any of the scholarships or bursaries that may be available in terms of the scheme;

10 (vii) no bursary awarded under the scheme may be terminated, cancelled or withdrawn merely by reason of the fact that the services of an employee to whom the scholarshipholder or bursar is related have for any reason terminated:

15 Provided further that where a loan is granted by such employer or such associated institution in relation to the employer the cash equivalent of any taxable benefit falling for inclusion in the employee's gross income by virtue of the provisions of paragraph 2 (f), read with paragraph 11, of the Seventh Schedule, shall for the purposes of this paragraph be deemed to be a bursary; and

20 (h) by the addition to paragraph (i) of subsection (1) of the following subparagraph:

25 "(x) of the Development Bank of Southern Africa established on 30 June 1983;".

(2) The amendment effected by subsection (1) (h) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 30 June 1983.

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

(a) by the insertion after paragraph (bA) of the following paragraph:

35 "(bB) any finance charge incurred by the taxpayer in respect of the purchase or contract price owing under an agreement for the acquisition, installation, erection or construction of any machinery, plant, aircraft, implement, utensil or article acquired by him on or after 15 March 1984 and used by him for the purposes of his trade, which deduction shall be in lieu of any deduction or allowance in respect of such finance charge which may be allowable under any other provision of this Act: Provided that any such finance charge which is calculated or payable in respect of a period of more than 12 months extending beyond the end of the year of assessment shall for the purposes of this paragraph be deemed to have been incurred from

40 day to day during the said period;"

45 (b) by the substitution for paragraph (vi) of the proviso to paragraph (e) of the following paragraph:

50 "(vi) the value of any machinery, implements, utensils or articles used by the taxpayer for the purposes of his trade shall be reduced by the amount of any deduction which may be made under subsection (1) of section 12 or under that subsection as applied by subsection (3) of the said section, or under the corresponding provisions of any previous Income Tax Act or under section 12A (2) or under section 27 (2) (d);"

55

60

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 19 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,

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

artikel 7 van
Wet 91 van 1982 en
artikel 10 van
Wet 94 van 1983.

- (c) deur die volgende paragraaf by die voorbehoudsbepaling by paragraaf (e) te voeg:

“(vii) waar die waarde van enige sodanige masjinerie, gereedskap, werktuie of artikels wat op of na 15 Maart 1984 deur die belastingpligtige verkry is, by die toepassing van hierdie paragraaf vasgestel staan te word met inagneming van die koste van bedoelde masjinerie, gereedskap, werktuie of artikels, word bedoelde koste geag die koste te wees wat, volgens die Kommissaris se oordeel, iemand, indien hy bedoelde masjinerie, gereedskap, werktuie of artikels verkry het ingevolge ’n kontanttransaksie waarin die uiterste voorwaardes beding is, aangegaan op die datum waarop die transaksie vir die verkryging van bedoelde masjinerie, gereedskap, werktuie of artikels inderdaad aangegaan is, sou aangegaan het ten opsigte van die regstreekse koste van die verkryging van bedoelde masjinerie, gereedskap, werktuie of artikels, met inbegrip van die regstreekse koste van die instal- lering of oprigting daarvan;”;

- (d) deur die volgende paragraaf by die voorbehoudsbepaling by paragraaf (f) te voeg:

“(dd) die bepalings van hierdie paragraaf nie van toepassing is nie met betrekking tot so ’n premie of teenprestasie deur die belastingpligtige betaal wat by die toepassing van hierdie Wet nie inkomste uitmaak van die persoon aan wie dit betaal is nie, tensy bedoelde premie of teenprestasie betaal is ingevolge ’n skriftelike ooreenkoms wat vóór 10 April 1984 formeel en finaal deur elke party tot die ooreenkoms onderteken is;”;

- (e) deur in paragraaf (aa) van die voorbehoudsbepaling by subparagraaf (ii) van paragraaf (k) die uitdrukking “R1 500” deur die uitdrukking “R1 800” te vervang;

- (f) deur in die voorbehoudsbepaling by paragraaf (m) die uitdrukking “R2 000” deur die uitdrukking “R2 500” te vervang;

- (g) deur in subparagraaf (bb) van paragraaf (n) die uitdrukking “R1 500” deur die uitdrukking “R1 800” te vervang;

- (h) deur na paragraaf (iii) van die voorbehoudsbepaling by paragraaf (o) die volgende paragraaf in te voeg:

“(iiiA) by die toepassing van paragraaf (iii) van hierdie voorbehoudsbepaling word die werklike koste van enige masjinerie, gereedskap, werktuie of artikels wat op of na 15 maart 1984 deur die belastingpligtige verkry word, geag die koste van bedoelde masjinerie, gereedskap, werktuie of artikels te wees soos vasgestel ingevolge die bepalings van paragraaf (vii) van die voorbehoudsbepaling by paragraaf (e);”;

- (i) deur paragraaf (u) deur die volgende paragraaf te vervang:

“(u) soveel van die **[onkoste]** onthaalonkoste (met inbegrip van klubsunksripsies) **[maar hoogstens drie honderd rand]** deur **[die]** ’n belastingpligtige wat ’n natuurlike persoon is gedurende die jaar van aanslag **[ten opsigte van onthaal]** aangegaan as wat na oortuiging van die Kommissaris regstreeks in verband met **[sy]** die belastingpligtige se bedryf aldus aangegaan is, en wat nie sulke onkoste is as wat in paragraaf (a) bedoel word nie: Met dien verstande dat—

- (i) die aftrekking ingevolge hierdie paragraaf beperk word tot ’n bedrag gelyk aan die minste van—

(aa) R2 500; of

INCOME TAX ACT, 1984

Act No. 121, 1984

- (c) by the addition to the proviso to paragraph (e) of the following paragraph: section 7 of Act 91 of 1982 and section 10 of Act 94 of 1983.
- 5 “(vii) where the value of any such machinery, implements, utensils and articles acquired by the taxpayer on or after 15 March 1984 is for the purposes of this paragraph to be determined having regard to the cost of such machinery, implements, utensils and articles, such cost shall be deemed to be the cost which, in the opinion of the Commissioner, a person would, if he had acquired such machinery, implements, utensils and articles under a cash transaction concluded at arm’s length on the date on which the transaction for the acquisition of such machinery, implements, utensils and articles was in fact concluded, have incurred in respect of the direct cost of the acquisition of such machinery, implements, utensils and articles, including the direct cost of the installation or erection thereof;”;
- 10
- 15
- (d) by the addition to the proviso to paragraph (f) of the following paragraph:
- 20 “(dd) the provisions of this paragraph shall not apply in relation to any such premium or consideration paid by the taxpayer which does not for the purposes of this Act constitute income of the person to whom it is paid, unless such premium or consideration is paid under a written agreement formally and finally signed before 10 April 1984 by every party to the agreement;”;
- 25
- (e) by the substitution in paragraph (aa) of the proviso to subparagraph (ii) of paragraph (k) for the expression “R1 500” of the expression “R1 800”;
- 30
- (f) by the substitution in the proviso to paragraph (m) for the expression “R2 000” of the expression “R2 500”;
- (g) by the substitution in subparagraph (bb) of paragraph (n) for the expression “R1 500” of the expression “R1 800”;
- 35
- (h) by the insertion after paragraph (iii) of the proviso to paragraph (o) of the following paragraph:
- 40 “(iiiA) for the purposes of paragraph (iii) of this proviso, the actual cost of any machinery, implements, utensils or articles acquired by the taxpayer on or after 15 March 1984 shall be deemed to be the cost of such machinery, implements, utensils or articles as determined under the provisions of paragraph (vii) of the proviso to paragraph (e);”;
- 45
- (i) by the substitution for paragraph (u) of the following paragraph:
- 50 “(u) so much of the entertainment expenditure (including club subscriptions) **[but not exceeding three hundred rand]** incurred by **[the] any taxpayer who is a natural person** during the year of assessment **[in respect of entertainment]** as the Commissioner is satisfied was so incurred directly in connection with **[his] the taxpayer’s** trade and which is not such expenditure as is referred to in paragraph (a): Provided that:
- 55 (i) the deduction under this paragraph shall be limited to an amount equal to the lesser of—
 (aa) R2 500; or

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

- (bb) R300 plus 5 persent van soveel van die belasbare inkomste (soos vasgestel voor enige aftrekking ingevolge hierdie paragraaf gemaak word) deur die belastingpligtige verkry uit die beoefening gedurende die jaar van aanslag van die bedryf in verband waarmee bedoelde onkoste aangegaan is, as wat R6 000 te bowe gaan; 5
- (ii) geen aftrekking ingevolge hierdie paragraaf 10 gemaak word nie ten opsigte van enige sodanige onkoste wat in verband met 'n diens **[professie, beroep of vak aangegaan word indien die belastingpligtige inkomste in die vorm van salaris, loon of dergelike besoldiging uit daardie diens of die beoefening van daardie 15 professie, beroep of vak verkry]** of amp aangegaan word ten opsigte waarvan die belastingpligtige besoldiging soos in paragraaf 1 van die Vierde Bylae omskryf of 'n bedrag in paragraaf (iv) of (vii) van daardie omskrywing beoog, verkry, tensy— 20
- (aa) die Kommissaris oortuig is dat daardie diens **[professie, beroep of vak]** of amp van so 'n aard is dat **[die uitvoering van]** 25 die belastingpligtige se pligte **[gehinder of ernstig belemmer sou word indien bedoelde onkoste nie aangegaan was nie]** gereeld en noodsaaklikerwys die aangaan van bedoelde onkoste meebring; en 30
- (bb) die belastingpligtige ten opsigte van bedoelde onkoste 'n vergoedende toelae ontvang wat ingevolge die bepaling van paragraaf (iii) van die voorbehoudsbepaling by paragraaf (c) van die omskrywing van 'bruto inkomste' in artikel 1 in sy bruto inkomste ingesluit is; 35
- (iii) waar die belastingpligtige 'n vergoedende toelae soos in subparagraaf (bb) van paragraaf (ii) van hierdie voorbehoudsbepaling bedoel, in die omstandighede in daardie paragraaf beoog, ontvang, bedoelde aftrekking nie die bedrag van die vergoedende toelae deur die belastingpligtige ten opsigte van bedoelde onkoste ontvang te bowe mag gaan nie; 45
- (iv) geen aftrekking ingevolge hierdie paragraaf gemaak word nie ten opsigte van onthaal- onkoste wat bestry word uit 'n vergoedende toelae met betrekking tot 'n diens of amp in paragraaf (ii) van hierdie voorbehoudsbepaling bedoel, indien bedoelde onkoste gedurende die jaar van aanslag eindigende op 28 Februarie 1986 aangegaan is en bedoelde onkoste ten volle of gedeeltelik ingevolge paragraaf (uA) as 'n aftrekking van die belastingpligtige se inkomste toegelaat is;"; en 55
- (j) deur na paragraaf (u) die volgende paragraaf in te voeg: 60
- “(uA) soveel van die onkoste (met inbegrip van klub- subskripsies maar uitgesonderd onkoste in paragraaf (a) of (b) bedoel) deur 'n werknemer of ampsbeker gedurende die jaar van aanslag eindigende op 28 Februarie 1986 aangegaan ten opsigte van onthaal as wat na oortuiging van die Kommissaris regstreeks in verband met die belastingpligtige se diens of amp aldus aangegaan is, en bestry is uit 'n toelae of voorskot in paragraaf (iii) van die voorbehoudsbepaling by paragraaf (c) van die om- 65

INCOME TAX ACT, 1984

Act No. 121, 1984

- 5 (bb) R300 plus 5 per cent of so much of the taxable income (as determined before any deduction is made under this paragraph) derived by the taxpayer from carrying on during the year of assessment any trade in connection with which such expenditure was incurred, as exceeds R6 000;
- 10 (ii) no deduction shall be made under this paragraph in respect of any such expenditure as is incurred in connection with any employment **[profession, calling or occupation if the taxpayer derives from such employment or office or from carrying on such profession, calling or occupation income in the form of a salary or wage or similar remuneration]** or office in respect of which the taxpayer derives remuneration as defined in paragraph 1 of the Fourth Schedule or any amount referred to in paragraph (iv) or (vii) of that definition, unless—
- 15 (aa) the Commissioner is satisfied that such employment **[profession, calling or occupation]** or office is of such a nature that **[the performance of]** the taxpayer's duties **[would be impeded or seriously hampered if such expenditure were not incurred]** regularly and necessarily involve incurring such expenditure; and
- 20 (bb) the taxpayer receives in respect of such expenditure a reimbursive allowance which is included in his gross income under the provisions of paragraph (iii) of the proviso to paragraph (c) of the definition of 'gross income' in section 1;
- 25 (iii) where the taxpayer receives a reimbursive allowance referred to in subparagraph (bb) of paragraph (ii) of this proviso in the circumstances contemplated in that paragraph, such deduction shall not exceed the amount of the reimbursive allowance received by the taxpayer in respect of such expenditure;
- 30 (iv) no deduction shall be made under this paragraph in respect of entertainment expenditure defrayed out of any reimbursive allowance relating to any employment or office referred to in paragraph (ii) of this proviso, if such expenditure is incurred during the year ending on 28 February 1986 and such expenditure has in whole or in part been allowed as a deduction from the taxpayer's income under paragraph **(uA)**;"; and
- 35 (j) by the insertion after paragraph (u) of the following paragraph:
- 40 "**(uA)** so much of the entertainment expenditure (including club subscriptions but excluding expenditure referred to in paragraph (a) or (b)) incurred by an employee or the holder of an office during the year of assessment ending on 28 February 1986 as the Commissioner is satisfied was so incurred directly in connection with the taxpayer's employment or office and was defrayed out of an allowance or advance referred to in paragraph (iii) of the proviso
- 45
- 50
- 55
- 60

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

skrywing van 'bruto inkomste' in artikel 1 bedoel:
Met dien verstande dat—

- (i) die aftrekking kragtens hierdie paragraaf beperk word tot 'n bedrag gelyk aan 50 persent van soveel van enige soortgelyke toelae of voorskot gedurende die jaar van aanslag eindigende op 28 Februarie 1985 aan die bekleër van bedoelde diens of amp toegestaan as wat na oortuiging van die Kommissaris werklik gedurende daardie jaar aan onthaal bestee is; 5 10
- (ii) geen aftrekking ingevolge hierdie paragraaf gemaak word nie indien 'n aftrekking ten opsigte van genoemde onkoste kragtens paragraaf (u) gemaak word;”.

(2) (a) Die wysigings deur subartikel (1) (a), (c) en (h) aangebring, word, vir die doeleindes van aanslae ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 15 Maart 1984 geëindig het of eindig.

(b) Die wysiging deur subartikel (1) (d) aangebring, word, vir die doeleindes van aanslae ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 10 April 1984 geëindig het of eindig.

Wysiging van artikel 11bis van Wet 58 van 1962, soos ingevoeg deur artikel 10 van Wet 90 van 1962 en gewysig deur artikel 9 van Wet 72 van 1963, artikel 13 van Wet 55 van 1966, artikel 12 van Wet 95 van 1967, artikel 10 van Wet 76 van 1968, artikel 15 van Wet 89 van 1969, artikel 11 van Wet 52 van 1970, artikel 9 van Wet 90 van 1972, artikel 10 van Wet 65 van 1973, artikel 13 van Wet 85 van 1974, artikel 10 van Wet 69 van 1975, artikel 10 van Wet 103 van 1976, artikel 10 van Wet 113 van 1977, artikel 10 van Wet 96 van 1981, artikel 8 van Wet 91 van 1982 en artikel 11 van Wet 94 van 1983.

Wysiging van artikel 11sept van Wet 58 van 1962, soos vervang deur artikel 9 van Wet 104 van 1979 en gewysig deur artikel 11 van Wet 96 van 1981 en artikel 9 van Wet 91 van 1982.

12. (1) Artikel 11bis van die Hoofwet word hierby gewysig deur paragraaf (b) van subartikel (4) deur die volgende paragraaf te vervang:

“(b) in verband met reklame of die verkryging op ander wyse van publisiteit in 'n uitvoerland (behalwe onkoste op of na 1 Januarie 1984 aangegaan by die borg of bevordering van enige sport- of enige ander geleentheid in 'n land behalwe 'n uitvoerland) of in verband met die werf van bestellings in, of deelname aan, handeltentoonstellings in uitvoerlande;”.

(2) Die wysiging deur subartikel (1) aangebring, word vir die doeleindes van aanslae ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 1 Januarie 1984 geëindig het of eindig.

13. (1) Artikel 11sept van die Hoofwet word hierby gewysig—

(a) deur subartikels (3) en (4) deur onderskeidelik die volgende subartikels te vervang:

“(3) Indien 'n belastingpligtige in die loop van 'n bedryf (behalwe mynbou) wat deur hom in die Republiek beoefen word, opleidingskoste (soos volgens voorskrif van subartikels (5), (6) en (7) vasgestel) gedurende 'n jaar van aanslag aangegaan het ten opsigte van werknemers wat hy vir die doeleindes van bedoelde bedryf geëmplojeer het, word daar as 'n aftrekking op sy inkomste vir daardie jaar van aanslag 'n vermindering (die werknemersopleidingvermindering genoem) toegelaat waarvan die bedrag (behoudens die bepalinge van subartikel (4)) 'n som is gelyk aan—

INCOME TAX ACT, 1984

Act No. 121, 1984

to paragraph (c) of the definition of 'gross income' in section 1: Provided that—

- 5 (i) the deduction under this paragraph shall be limited to an amount equal to 50 per cent of so much of any similar allowance or advance granted to the holder of such employment or office during the year of assessment ended on 28 February 1985 as the Commissioner is satisfied was actually expended on entertainment during that year;
- 10 (ii) no deduction shall be made under this paragraph if a deduction in respect of the said expenditure is made under paragraph (u);”.
- 15 (2) (a) The amendments effected by subsection (1) (a), (c) and (h) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 15 March 1984.
- 20 (b) The amendment effected by subsection (1) (d) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 10 April 1984.

25 **12.** (1) Section 11*bis* of the principal Act is hereby amended by the substitution for paragraph (b) of subsection (4) in the Afrikaans text of the following paragraph:

30 “(b) in verband met reklame of die verkryging op ander wyse van publisiteit in 'n uitvoerland (behalwe onkoste op of na 1 Januarie 1984 aangegaan by die borg of bevordering van enige sport- of enige ander geleenthede in 'n land behalwe 'n uitvoerland) of in verband met die werf van bestellings in, of deelname aan handelstoonstellings in uitvoerlande;”.

35 (2) The amendment effected by subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 1 January 1984.

Amendment of section 11*bis* of Act 58 of 1962, as inserted by section 10 of Act 90 of 1962 and amended by section 9 of Act 72 of 1963, section 13 of Act 55 of 1966, section 12 of Act 95 of 1967, section 10 of Act 76 of 1968, section 15 of Act 89 of 1969, section 11 of Act 52 of 1970, section 9 of Act 90 of 1972, section 10 of Act 65 of 1973, section 13 of Act 85 of 1974, section 10 of Act 69 of 1975, section 10 of Act 103 of 1976, section 10 of Act 113 of 1977, section 10 of Act 96 of 1981, section 8 of Act 91 of 1982 and section 11 of Act 94 of 1983.

40 **13.** (1) Section 11*sept* of the principal Act is hereby amended—

(a) by the substitution for subsections (3) and (4) of the following subsections, respectively:

45 “(3) If any taxpayer in the course of any trade (other than mining) carried on by him in the Republic has during any year of assessment incurred training expenses, determined as provided in subsections (5), (6) and (7), in respect of employees employed by him for the purposes of the said trade, there shall be allowed as a deduction from his income for that year of assessment an allowance (to be known as the employees training allowance) the amount of which shall, subject to the provisions of subsection (4), be a sum equal to—

50

Amendment of section 11*sept* of Act 58 of 1962, as substituted by section 9 of Act 104 of 1979 and amended by section 11 of Act 96 of 1981 and section 9 of Act 91 of 1982.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

(a) 100 persent van **[daardie]** bedoelde opleidingskoste wat voor 1 September 1984 aangegaan word; of

(b) 50 persent van bedoelde opleidingskoste wat op of na daardie datum aangegaan word. 5

(4) Waar voormelde opleidingskoste geheel en al of gedeeltelik bestaan uit 'n bedrag (tot bevrediging van die Kommissaris vasgestel) wat opleidingskoste voorstel wat aangegaan is ten opsigte van werknemers wat die belastingpligtige geëmplojeer het vir die doeleindes van 'n bedryf deur hom in 'n ekonomiese ontwikkelingsgebied beoefen en in die loop waarvan 'n vervaardigingsproses of 'n ander proses wat volgens die Kommissaris se oordeel van dergelike aard is, uitgevoer word, word, indien die Minister van Finansies, met inagneming van die omstandighede van die geval, aldus gelas, die werknemersopleidingvermindering ten opsigte van bedoelde bedrag bereken teen die toepaslike persentasie **[(wat hoër as honderd persent, maar hoogstens honderd vyf-en-twintig persent, van bedoelde bedrag is)]** bedoel in subartikel (3) plus die verdere persentasie van hoogstens 25 persent van bedoelde bedrag wat genoemde Minister gelas."; en

(b) deur by subartikel (5) die volgende woorde te voeg:

"maar uitgesonderd enige bedoelde onkoste wat 25 op of na 1 September 1984 aangegaan word en, volgens die oordeel van die Kommissaris, betrekking het op die opleiding van 'n bedoelde werknemer wie se besoldiging (soos volgens die omskrywing van 'besoldiging' in paragraaf 1 van die Vierde Bylae vasgestel, maar met inbegrip van bedrae bedoel in paragrafe (iv) en (vii) van daardie omskrywing) R15 000 gedurende die betrokke jaar van aanslag van die belastingpligtige te bowe gegaan het." 35

(2) Die wysiging deur subartikel (1) aangebring, word vir die doeleindes van aanslae ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 1 September 1984 geëindig het of eindig.

14. (1) Artikel 12 van die Hoofwet word hierby gewysig— 40

(a) deur in subartikel (1) die woorde wat op paragraaf (d) volg en die voorbehoudsbepaling voorafgaan deur die volgende woorde te vervang:

"word, behoudens die bepalings van subartikel (7), daar vir die jaar van aanslag waarin dié masjinerie of installasie aldus in gebruik geneem word, aan die belastingpligtige 'n vermindering op sy inkomste, genoem die 'masjinerie-aanvangsvermindering', toegelaat;"

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

"Met dien verstande voorts dat geen verdere aftrekking ingevolge hierdie subartikel toegelaat word nie ten opsigte van gebruikte masjinerie of installasie in paragraaf (c) of (d) bedoel wat op of na 5 Julie 1984 deur iemand in gebruik geneem word soos in genoemde paragraaf (c) of (d) beoog, indien daardie masjinerie of installasie voorheen deur hom (of, waar bedoelde persoon 'n maatskappy is, deur 'n ander maatskappy indien albei bedoelde maatskappye deur wesentlik dieselfde persone bestuur, beheer of besit word) in gebruik geneem is en 'n masjinerie-aanvangsvermindering kragtens hierdie subartikel toegestaan is aan hom (of bedoelde ander maatskappy) of aan 'n persoon van wie daardie masjinerie of installasie deur hom (of bedoelde ander maatskappy) gehuur is, hetsy in die lopende of 'n vorige jaar van aanslag;" 65

(c) deur in subartikel (2) die woorde wat op paragraaf (d)

Wysiging van artikel 12 van Wet 58 van 1962, soos vervang deur artikel 15 van Wet 55 van 1966 en gewysig deur artikel 12 van Wet 52 van 1970, artikel 11 van Wet 88 van 1971, artikel 11 van Wet 90 van 1972, artikel 12 van Wet 65 van 1973, artikel 15 van Wet 85 van 1974, artikel 11 van Wet 69 van 1975, artikel 13 van Wet 113 van 1977, artikel 6 van Wet 101 van 1978, artikel 10 van Wet 104 van 1979, artikel 9 van Wet 104 van 1980, artikel 12 van Wet 96 van 1981 en artikel 11 van Wet 91 van 1982.

INCOME TAX ACT, 1984

Act No. 121, 1984

(a) 100 per cent of such training expenses incurred before 1 September 1984; or

(b) 50 per cent of such training expenses incurred on or after that date.

5 (4) Where the aforesaid training expenses in whole or in part consist of an amount, determined to the satisfaction of the Commissioner, which represents training expenses incurred in respect of employees employed by the taxpayer for the purposes of any trade carried on by him in an economic development area and in the course of which a process of manufacture, or any other process which in the opinion of the Commissioner is of a similar nature, is carried on, the employees training allowance in respect of the said amount shall, if the Minister of Finance, having regard to the circumstances of the case, so directs, be calculated at **[such] the relevant percentage [exceeding one hundred per cent but]** referred to in subsection (3) together with such further percentage not exceeding **[one hundred and twenty-five] 25** per cent, of the said amount as the said Minister may direct.”; and

(b) by the addition to subsection (5) of the following words:

25 “but excluding any such expenditure incurred on or after 1 September 1984 which in the opinion of the Commissioner relates to the training of any such employee whose remuneration (as determined in accordance with the definition of ‘remuneration’ in paragraph 1 of the Fourth Schedule but including any amounts referred to in paragraphs (iv) and (vii) of that definition) exceeded R15 000 during the relevant year of assessment of the taxpayer.”.

(2) The amendments effected by subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 1 September 1984.

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

(a) by the substitution in subsection (1) for the words following upon paragraph (d) and preceding the proviso of the following words:

40 “there shall subject to the provisions of subsection (7) be allowed to be deducted from the income of such taxpayer for the year of assessment during which such machinery or plant is so brought into use an allowance, to be known as the ‘machinery initial allowance’.”;

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

50 “Provided further that no further deduction shall be allowed under this subsection in respect of used machinery or plant referred to in paragraph (c) or (d) which is on or after 5 July 1984 brought into use by any person as contemplated in the said paragraph (c) or (d) if such machinery or plant was previously brought into use by him (or, where such person is a company, by any other company if both such companies are managed, controlled or owned by substantially the same persons) and a machinery initial allowance was under this subsection granted to him (or such other company) or to a person from whom such machinery or plant was hired by him (or such other company) whether in the current of any previous year of assessment.”;

(c) by the substitution in subsection (2) for the words following upon paragraph (d) and preceding paragraph (i) of the following words:

Amendment of section 12 of Act 58 of 1962, as substituted by section 15 of Act 55 of 1966 and amended by section 12 of Act 52 of 1970, section 11 of Act 88 of 1971, section 11 of Act 90 of 1972, section 12 of Act 65 of 1973, section 15 of Act 85 of 1974, section 11 of Act 69 of 1975, section 13 of Act 113 of 1977, section 6 of Act 101 of 1978, section 10 of Act 104 of 1979, section 9 of Act 104 of 1980, section 12 of Act 96 of 1981 and section 11 of Act 91 of 1982.

“word, behoudens die bepalings van subartikels (6) en (7), daar bowendien vir die jaar van aanslag waarin dié masjinerie of installasie aldus in gebruik geneem word, aan die belastingpligtige 'n vermindering op sy inkomste, genoem die ‘masjinerie-beleggingsvermindering’, toegelaat indien—”;
5
en

(d) deur die volgende subartikels by te voeg:

“(6) Waar 'n verhuurder van masjinerie of installasie in aanmerking gekom het vir die aftrekking van 'n masjinerie-beleggingsvermindering kragtens die bepalings van subartikel (2) en dié masjinerie of installasie vir die eerste maal op of na 15 Maart 1984 en op of voor 30 Junie 1985 deur hom verhuur is, kan genoemde vermindering, indien die verhuurder en die huurder 'n skriftelike aansoek aan die Kommissaris doen nie later nie as ses maande nadat die masjinerie of installasie deur die huurder in gebruik geneem is of binne die verdere tydperk wat die Kommissaris toelaat, aan die huurder toegestaan word, in welke geval die vermindering nie aan die verhuurder toegestaan word nie.”
10
15
20

(7) Waar masjinerie of installasie ten opsigte waarvan die belastingpligtige op 'n masjinerie-aanvangsvermindering of 'n masjinerie-beleggingsvermindering geregtig is, op of na 1 April 1984 en op of voor 30 Junie 1985 in gebruik geneem word soos in die voorgaande bepalings van hierdie artikel beoog, word die bedrag wat afgetrek moet word van sy inkomste vir die jaar van aanslag waarin daardie masjinerie of installasie aldus in gebruik geneem word tot twee-derdes van bedoelde vermindering beperk en word die saldo van die vermindering van sy inkomste vir die daaropvolgende jaar van aanslag afgetrek: Met dien verstande dat die bepalings van hierdie subartikel nie van toepassing is nie indien, gedurende die jaar van aanslag waarin bedoelde masjinerie of installasie aldus in gebruik geneem word, die belastingpligtige te sterwe kom of sy boedel gesekwestreer word of, waar die belastingpligtige 'n maatskappy is, die maatskappy in likwidasie geplaas word.”
25
30
35
40

(2) (a) Die wysigings deur subartikel (1) (a), (c) en (d) aangebring, word, vir die doeleindes van aanslae ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 15 Maart 1984 geëindig het of eindig.
45

(b) Die wysiging deur subartikel (1) (b) aangebring, word, vir die doeleindes van aanslae ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 5 Julie 1984 geëindig het of eindig.
50

Wysiging van artikel 18 van Wet 58 van 1962, soos ingevoeg deur artikel 12 van Wet 104 van 1980 en gewysig deur artikel 15 van Wet 96 van 1981.

15. Artikel 18 van die Hoofwet word hierby gewysig deur paragrafe (a) en (b) van subartikel (2) deur die volgende paragrafe te vervang:

“(a) waar die belastingpligtige op 'n korting ingevolge artikel 6 (3) (f) geregtig is, bedoelde som; of
55

(b) waar die belastingpligtige nie op bedoelde korting geregtig is nie maar op 'n korting ingevolge artikel 6 (3) (e) geregtig is, die bedrag van [R2 000] R3 000 indien hy 'n getroude persoon is of [R1 500] R2 250 indien hy nie 'n getroude persoon is nie; of
60

[(b)] (c) waar die belastingpligtige nie op 'n bedoelde korting geregtig is nie, die bedrag van R1 000 indien hy 'n getroude persoon is of R750 indien hy nie 'n getroude persoon is nie.”

16. (1) Artikel 18A van die Hoofwet word hierby gewysig— 65

(a) deur in subartikel (2) die woord “en” aan die end van paragraaf (a) te skrap;

Wysiging van artikel 18A van Wet 58 van 1962,

INCOME TAX ACT, 1984

Act No. 121, 1984

“there shall subject to the provisions of subsection (6) and (7) further be allowed to be deducted from the income of such taxpayer for the year of assessment during which such machinery or plant is so brought into use an allowance, to be known as the ‘machinery investment allowance’, if—”; and

(d) by the addition of the following subsections:

“(6) Where any lessor of machinery or plant has qualified for the deduction of a machinery investment allowance under the provisions of subsection (2) and such machinery or plant was first let by him on or after 15 March 1984 and on or before 30 June 1985, the said allowance may, if the lessor and the lessee make written application to the Commissioner not later than six months after the machinery or plant is brought into use by the lessee or within such further period as the Commissioner may allow, be granted to the lessee, in which event the allowance shall not be granted to the lessor.

(7) Where any machinery or plant in respect of which the taxpayer is entitled to any machinery initial allowance or machinery investment allowance is on or after 1 April 1984 and on or before 30 June 1985 brought into use as contemplated in the foregoing provisions of this section, the amount to be deducted from his income for the year of assessment during which such machinery or plant is so brought into use shall be limited to two-thirds of such allowance and the balance of such allowance shall be deducted from his income for the next succeeding year of assessment: Provided that the provisions of this subsection shall not apply if, during the year of assessment in which such machinery or plant is so brought into use, the taxpayer dies or his estate is sequestrated or, where the taxpayer is a company, such company is placed in liquidation.”

(2) (a) The amendments effected by subsection (1) (a), (c) and (d) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 15 March 1984.

(b) The amendment effected by subsection (1) (b) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 5 July 1984.

15. Section 18 of the principal Act is hereby amended by the substitution for paragraphs (a) and (b) of subsection (2) of the following paragraphs:

“(a) where the taxpayer is entitled to a rebate under section 6 (3) (f), such sum; or

(b) where the taxpayer is not entitled to such rebate but is entitled to a rebate under section 6 (3) (e), the amount of [R2 000] R3 000 if he is a married person or [R1 500] R2 250 if he is not a married person; or

[(b)] (c) where the taxpayer is not entitled to any such rebate, the amount of R1 000 if he is a married person or R750 if he is not a married person.”

Amendment of section 18 of Act 58 of 1962, as inserted by section 12 of Act 104 of 1980 and amended by section 15 of Act 96 of 1981.

16. (1) Section 18A of the principal Act is hereby amended—
(a) by the deletion in subsection (2) of the word “and” at the end of paragraph (a);

Amendment of section 18A of Act 58 of 1962,

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

soos ingevoeg deur artikel 15 van Wet 52 van 1970, vervang deur artikel 16 van Wet 96 van 1981 en gewysig deur artikel 14 van Wet 91 van 1982 en artikel 16 van Wet 94 van 1983.

- (b) deur aan die end van paragraaf (b) van subartikel (2) die woord "en" by te voeg;
- (c) deur na paragraaf (b) van subartikel (2) die volgende paragraaf in te voeg:
 "(c) aan die Bybelgenootskap van Suid-Afrika, geïnkorporeer kragtens artikel 2 van die Wet op die Bybelgenootskap van Suid-Afrika, 1970 (Wet No. 15 van 1970),";
- (d) deur in subartikel (3) die woorde wat paragraaf (a) voorafgaan deur die volgende woorde te vervang: 10
 "n Aanspraak op 'n aftrekking ten opsigte van 'n skenking ingevolge subartikel (2) word nie toegelaat nie tensy dit gestaaf word deur 'n kwitansie wat (met betrekking tot 'n skenking in paragraaf (a) of (b) van daardie subartikel beoog) deur die 15
 betrokke universiteit of kollege of die persoon in beheer van die betrokke opvoedkundige fonds of (met betrekking tot 'n skenking in paragraaf (c) van daardie subartikel beoog) deur genoemde 20
 Bybelgenootskap van Suid-Afrika uitgereik is 20
 waarop die volgende besonderhede verstrekk word, naamlik—";
- (e) deur paragraaf (b) van subartikel (3) deur die volgende paragraaf te vervang:
 "(b) die naam van die universiteit, kollege of opvoedkundige fonds wat **[die]** 'n skenking beoog in paragraaf (a) of (b) van subartikel (2) ontvang het of, met betrekking tot 'n skenking beoog in paragraaf (c) van daardie subartikel, die naam van genoemde Bybelgenootskap, tesame met 'n adres waarna 30
 navrae in verband daarmee gerig kan word;" en
- (f) deur paragraaf (e) van subartikel (3) deur die volgende paragraaf te vervang:
 "(e) 'n sertifikasie ten effekte dat die kwitansie uitgereik word vir die doeleindes van artikel 18A van 35
 die Inkomstebelastingwet, 1962, en dat die skenking uitsluitlik vir doeleindes van die betrokke universiteit, kollege of opvoedkundige fonds of genoemde Bybelgenootskap gebruik is of gebruik sal 40
 word."

(2) Die wysiging deur subartikel (1) aangebring, word, vir die doeleindes van aanslae ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 1 Maart 1984 geëindig het of eindig.

Wysiging van artikel 19 van Wet 58 van 1962, soos gewysig deur artikel 15 van Wet 90 van 1962, artikel 6 van Wet 6 van 1963, artikel 17 van Wet 88 van 1965, artikel 17 van Wet 88 van 1971, artikel 14 van Wet 90 van 1972, artikel 18 van Wet 85 van 1974, artikel 14 van Wet 104 van 1980, artikel 17 van Wet 96 van 1981, artikel 15 van Wet 91 van 1982 en artikel 17 van Wet 94 van 1983.

17. Artikel 19 van die Hoofwet word hierby gewysig deur subartikels (2) en (3) deur onderskeidelik die volgende subartikels te vervang:

"(2) Ten opsigte van onkoste en verliese van 'n nie-kapitale aard deur 'n persoon **[(behalwe 'n maatskappy)]** in verband met die voortbrenging van sy inkomste uit dividende 50
 aangegaan, is die bedrae wat afgetrek moet word ingevolge artikel 11 (a), (b), (i) en (j), soos by subartikel (1) van hierdie artikel toegepas, en die bedrag wat afgetrek moet word ingevolge subartikel (1A) van hierdie artikel, in totaal 'n som wat tot die onkoste, verliese en bedrag wat by ontstentenis van hierdie subartikel ingevolge genoemde bepalinge toegelaat sou gewees het om afgetrek te word, in dieselfde verhouding staan as wat die bedrag van die dividende, soos bereken nadat die aftrekking ingevolge subartikel (3) van hierdie artikel toegelaat is, staan tot die bedrag van die dividende 60
 soos bereken voordat bedoelde aftrekking toegelaat is.

(3) Ten opsigte van inkomste in die vorm van dividende (behalwe enige gedeelte van 'n dividend wat ingevolge artikel 8D by 'n belastingpligtige se inkomste ingesluit is en 65
 dividende in artikel 11 (s) bedoel) deur 'n persoon **[(be-**

INCOME TAX ACT, 1984

Act No. 121, 1984

- (b) by the addition at the end of paragraph (b) of subsection (2) of the word "and";
- (c) by the insertion after paragraph (b) of subsection (2) of the following paragraph:

5 “(c) to the Bible Society of South Africa incorporated under section 2 of the Bible Society of South Africa Act, 1970 (Act No. 15 of 1970).”;
- (d) by the substitution in subsection (3) for the words preceding paragraph (a) of the following words:

10 “Any claim for a deduction in respect of any donation under subsection (2) shall not be allowed unless supported by a receipt issued (as respects a donation contemplated in paragraph (a) or (b) of that subsection) by the university, college or person in control of the educational fund concerned or (as respects a donation contemplated in paragraph (c) of that subsection) by the said Bible Society of South Africa, on which the following particulars are given, namely—;

15
- (e) by the substitution for paragraph (b) of subsection (3) of the following paragraph:

20 “(b) the name of the university, college or educational fund which received **[the]** a donation contemplated in paragraph (a) of subsection (2) or, as respects a donation contemplated in paragraph (c) of that subsection, the name of the said Bible Society, together with an address to which enquiries may be directed in connection therewith;”;

25
- (f) by the substitution for paragraph (e) of subsection (3) of the following paragraph:

30 “(e) a certification to the effect that the receipt is issued for the purposes of section 18A of the Income Tax Act, 1962, and that the donation has been or will be used exclusively for the purposes of the university, college or educational fund concerned or the said Bible Society.”.

35

as inserted by section 15 of Act 52 of 1970, substituted by section 16 of Act 96 of 1981 and amended by section 14 of Act 91 of 1982 and section 16 of Act 94 of 1983.

(2) The amendment effected by subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 1 March 1984.

- 40 **17.** Section 19 of the principal Act is hereby amended by the substitution for subsections (2) and (3) of the following subsections, respectively:
- 45 “(2) In respect of expenditure and losses not of a capital nature incurred by any person **[other than a company]** in the production of his income from dividends, the amounts to be deducted under section 11 (a), (b), (i) and (j), as applied by subsection (1) of this section, and the amount to be deducted under subsection (1A) of this section shall in total be an amount which bears to the sum of the expenditure, losses and amount which but for this subsection would have been allowed to be deducted under the said provisions the same ratio as the amount of such dividends as calculated after allowing the deduction under subsection (3) of this section, bears to the amount of such dividends as calculated before allowing such deduction.
- 50
- 55 (3) In respect of income in the form of dividends (other than any portion of a dividend included in a taxpayer's income under section 8D and any dividends referred to in section 11 (s)) derived by any person **[other than a company]**,

Amendment of section 19 of Act 58 of 1962, as amended by section 15 of Act 90 of 1962, section 6 of Act 6 of 1963, section 17 of Act 88 of 1965, section 17 of Act 88 of 1971, section 14 of Act 90 of 1972, section 18 of Act 85 of 1974, section 14 of Act 104 of 1980, section 17 of Act 96 of 1981, section 15 of Act 91 of 1982 and section 17 of Act 94 of 1983.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

halwe 'n maatskappy] verkry, word daar as 'n aftrekking by die vasstelling van die belasbare inkomste van [so]—

(a) 'n persoon behalwe 'n maatskappy 'n bedrag toegelaat wat 'n persentasie van sodanige dividende verteenwoordig, bereken ooreenkomstig die volgende skaal: 5

<i>Waar, by ontstentenis van die bepalings van hierdie subartikel, subartikel (2) en artikel 20 die belasbare inkomste van die belastingpligtige vir die jaar van aanslag—</i>	<i>Persentasie van bedoelde dividende afgetrek te word—</i>
Nie R2 600 te bowe sou gaan nie	100 persent
R2 600 te bowe sou gaan, maar nie R2 800 nie	94 „
R2 800 „ „ „ „ „ „ R3 000 „	88 „
R3 000 „ „ „ „ „ „ R3 200 „	82 „
R3 200 „ „ „ „ „ „ R3 400 „	76 „
R3 400 „ „ „ „ „ „ R3 600 „	70 „
R3 600 „ „ „ „ „ „ R3 800 „	64 „
R3 800 „ „ „ „ „ „ R4 000 „	58 „
R4 000 „ „ „ „ „ „ R4 200 „	52 „
R4 200 „ „ „ „ „ „ R4 400 „	46 „
R4 400 „ „ „ „ „ „ R4 600 „	40 „
R4 600 te bowe sou gaan	33½ „;

(b) 'n beslote korporasie, 'n bedrag gelyk aan een-derde van bedoelde dividende toegelaat.”.

Wysiging van artikel 21quat van Wet 58 van 1962, soos ingevoeg deur artikel 17 van Wet 65 van 1973 en gewysig deur artikel 22 van Wet 85 van 1974, artikel 17 van Wet 104 van 1980 en artikel 19 van Wet 96 van 1981.

18. Artikel 21quat van die Hoofwet word hierby gewysig deur 25 in subartikel (3) die uitdrukking “R2 400” deur die uitdrukking “R3 000” te vervang.

Wysiging van artikel 22 van Wet 58 van 1962, soos gewysig deur artikel 8 van Wet 6 van 1963, artikel 14 van Wet 90 van 1964, artikel 21 van Wet 89 van 1969, artikel 20 van Wet 69 van 1975, artikel 15 van Wet 103 van 1976 en artikel 20 van Wet 94 van 1983.

19. (1) Artikel 22 van die Hoofwet word hierby gewysig—
(a) deur subartikel (3) deur die volgende subartikel te ver- 30

“(3) (a) By die toepassing van hierdie artikel is die kosprys van handelsvoorraad op enige datum met betrekking tot 'n persoon die koste wat dié per- 35
soon òf in die lopende òf in 'n vorige jaar van aanslag, by die verkryging van bedoelde handelsvoor-
raad aangegaan het, plus, behoudens die bepalings van paragraaf (b), enige verdere koste deur hom
tot en met daardie datum aangegaan om bedoelde handelsvoorraad in die toestand waarin [of] en op 40
die plek waar dit dan is te kry.

(b) Die verdere koste wat ingevolge paragraaf (a) in die kosprys van handelsvoorraad ingesluit moet word, is die koste wat ooreenkomstig enige deur die Kommissaris goedgekeurde algemeen aan- 45
vaarde rekeningkundige praktyk by die waardering van bedoelde handelsvoorraad ingesluit behoort te word.

(c) Waar iemand ten opsigte van handelsvoorraad wat hy besit het en nie van die hand gesit het nie aan die begin en einde van jare van aanslag wat geëin- 50
dig het voor die eerste jaar van aanslag van daardie persoon eindigende op of na 1 Junie 1984 te goeder trou 'n basis van handelsvoorraad-waarde-
ring toegepas het waarvolgens die volle koste van dié handelsvoorraad soos in paragraawe (a) en (b) 55
beoog, nie in berekening gebring is nie, word die waarde van die handelsvoorraad aldus besit en nie

INCOME TAX ACT, 1984

Act No. 121, 1984

there shall be allowed as a deduction in the determination of the taxable income of **[such]**—

(a) any person other than a company, an amount representing a percentage of such dividends calculated in accordance with the following scale:

<i>Where, but for the provisions of this subsection, subsection (2) and section 20 the taxable income of the taxpayer for the year of assessment in question—</i>	<i>Percentage of aforesaid dividends to be deducted—</i>
10 would not exceed R2 600	100 per cent
Would exceed R2 600 but not R2 800	94 „ „
„ „ R2 800 „ „ R3 000	88 „ „
„ „ R3 000 „ „ R3 200	82 „ „
„ „ R3 200 „ „ R3 400	76 „ „
15 „ „ R3 400 „ „ R3 600	70 „ „
„ „ R3 600 „ „ R3 800	64 „ „
„ „ R3 800 „ „ R4 000	58 „ „
„ „ R4 000 „ „ R4 200	52 „ „
„ „ R4 200 „ „ R4 400	46 „ „
20 „ „ R4 400 „ „ R4 600	40 „ „
„ „ R4 600	33 $\frac{1}{3}$ „ „

(b) any close corporation, an amount equal to one-third of such dividends.”.

18. Section 21^{quat} of the principal Act is hereby amended by the substitution in subsection (3) for the expression “R2 400” of the expression “R3 000”.

Amendment of section 21^{quat} of Act 58 of 1962, as inserted by section 17 of Act 65 of 1973 and amended by section 22 of Act 85 of 1974, section 17 of Act 104 of 1980 and section 19 of Act 96 of 1981.

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

(a) by the substitution for subsection (3) of the following subsection:

30 “(3) (a) For the purposes of this section the cost price at any date of any trading stock in relation to any person shall be the cost incurred by such person, whether in the current or any previous year of assessment, in acquiring such trading stock, plus, subject to the provisions of paragraph (b), any further costs incurred by him up to and including the said date in getting such trading stock into its then existing condition **[or]** and location.

Amendment of section 22 of Act 58 of 1962, as amended by section 8 of Act 6 of 1963, section 14 of Act 90 of 1964, section 21 of Act 89 of 1969, section 20 of Act 69 of 1975, section 15 of Act 103 of 1976 and section 20 of Act 94 of 1983.

(b) The further costs which in terms of paragraph (a) are required to be included in the cost price of any trading stock shall be such costs as in terms of any generally accepted accounting practice approved by the Commissioner should be included in the valuation of such trading stock.

45 (c) Where any person has in respect of trading stock held and not disposed of by him at the beginning and end of years of assessment which ended prior to the first year of assessment of that person ending on or after 1 June 1984 in good faith adopted a basis of valuation under which the full cost of such trading stock as contemplated in paragraphs (a) and (b) has not been accounted for, the value of the trading stock so held and not disposed of shall not be varied, but such person shall, as respects

van die hand gesit nie, nie verander nie, maar met betrekking tot enige handelsvoorraad wat bedoelde persoon aan die einde van genoemde eerste jaar of aan die begin of end van elke daaropvolgende jaar van aanslag besit en nie van die hand gesit het nie, waardeer hy bedoelde handelsvoorraad ooreenkomstig die bepaling van genoemde paragrafe.

(d) Waar die bepaling van paragraaf (c) in iemand se geval van toepassing is en die waarde van die handelsvoorraad deur hom besit en nie van die hand gesit nie aan die einde van die eerste jaar van aanslag in paragraaf (c) bedoel, meer is as die waarde (soos ten genoë van die Kommissaris vasgestel) waarteen bedoelde handelsvoorraad gewaardeer sou gewees het volgens die basis van waardering voorheen deur hom toegepas (hieronder die oorskot genoem), word daar na bedoelde persoon se keuse van die waarde van daardie handelsvoorraad, soos ooreenkomstig die bepaling van paragrafe (a) en (b) vasgestel, en van die waarde van dergelike handelsvoorraad deur hom besit en nie van die hand gesit nie aan die einde van elk van die vier daaropvolgende jare van aanslag (bedoelde daaropvolgende jare word hierna die tweede, derde en vierde jare in tydsorde genoem), 'n bedrag (wat die waarde van die handelsvoorraad wat aan die einde van die betrokke jaar van aanslag deur bedoelde persoon besit en nie van die hand gesit is nie, nie te bowe gaan nie) afgetrek gelyk aan—

- (i) met betrekking tot handelsvoorraad aan die einde van genoemde eerste jaar besit en nie van die hand gesit nie, vier-vyfdes van die oorskot;
- (ii) met betrekking tot handelsvoorraad aan die einde van die tweede jaar besit en nie van die hand gesit nie, drie-vyfdes van die oorskot;
- (iii) met betrekking tot handelsvoorraad aan die einde van die derde jaar besit en nie van die hand gesit nie, twee-vyfdes van die oorskot; en
- (iv) met betrekking tot handelsvoorraad aan die einde van die vierde jaar besit en nie van die hand gesit nie, een-vyfde van die oorskot:

Met dien verstande dat geen aftrekking ingevolgt hierdie paragraaf gedoen word nie ten opsigte van handelsvoorraad wat besit word op 'n datum waarop bedoelde persoon beoefening van die bedryf gestaak het ten opsigte waarvan bedoelde handelsvoorraad besit is.”;

(b) deur subartikel (3A) te skrap;

(c) deur die volgende voorbehoudsbepaling by paragraaf (a) van subartikel (5) te voeg:

“Met dien verstande dat—

- (i) geen aansoek om die toepassing van genoemde basis van handelsvoorraad-waardering wat op of na 1 April 1984 gedoen word, deur die Kommissaris oorweeg word nie behalwe ten opsigte van handelsvoorraad wat uit handelseffekte bestaan;
- (ii) geen persoon genoemde basis van handelsvoorraad-waardering toepas nie ten opsigte van handelsvoorraad (behalwe handelsvoorraad wat uit handelseffekte bestaan) deur hom besit en nie van die hand gesit nie aan die einde van daardie persoon se eerste jaar van aanslag wat op of na 1 April 1984 eindig of aan die begin of einde van enige daaropvolgende jaar van aanslag, ondanks die toepassing deur daardie persoon van genoemde basis ten opsigte van 'n vroeër jaar van aanslag.”;

INCOME TAX ACT, 1984

Act No. 121, 1984

any trading stock held and not disposed of by him at the end of the said first year or at the beginning or end of each succeeding year of assessment, value such trading stock in accordance with the provisions of the said paragraphs.

5

(d) Where the provisions of paragraph (c) are applicable in the case of any person and the value of the trading stock held and not disposed of by him at the end of the first year of assessment referred to in paragraph (c) exceeds the value (as determined to the satisfaction of the Commissioner) at which such trading stock would have been valued on the basis of valuation previously adopted by him (hereinafter referred to as the excess), there shall at the option of such person, be deducted from the value of that trading stock, as determined in accordance with the provisions of paragraphs (a) and (b), and from the value of similar trading stock held and not disposed of by him at the end of each of the four succeeding years of assessment (such succeeding years being hereinafter referred to as the second, third and fourth years, in chronological order) an amount (not exceeding the value of the trading stock held and not disposed of by such person at the end of the year of assessment in question) equal to—

10

15

20

25

- (i) as respects trading stock held and not disposed of at the end of the said first year, four-fifths of the excess;
- (ii) as respects trading stock held and not disposed of at the end of the second year, three-fifths of the excess;
- (iii) as respects trading stock held and not disposed of at the end of the third year, two-fifths of the excess; and
- (iv) as respects trading stock held and not disposed of at the end of the fourth year, one-fifth of the excess;

30

35

40

Provided that no deduction shall be made under this paragraph in respect of trading stock held on any date on which such person has ceased to carry on the trade in relation to which such trading stock was held.”;

(b) by the deletion of subsection (3A);

(c) by the addition to paragraph (a) of subsection (5) of the following proviso:

45

“Provided that—

50

55

60

- (i) no application for the adoption of the said basis of trading stock valuation which is made on or after 1 April 1984 shall be considered by the Commissioner except in respect of trading stock consisting of marketable securities;
- (ii) no person shall apply the said basis of trading stock valuation in respect of trading stock (other than trading stock consisting of marketable securities) held and not disposed of by him at the end of the first year of assessment of that person ending on or after 1 April 1984 or at the beginning or end of any succeeding year of assessment, notwithstanding the adoption by that person of the said basis in respect of any earlier year of assessment.”;

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

(d) deur paragraaf (b) van subartikel (5) deur die volgende paragraaf te vervang:

“(b) Waar voormelde basis van handelsvoorraad-waardering deur ’n persoon ten opsigte van ’n jaar van aanslag toegepas is soos in hierdie subartikel 5 beoog, is bedoelde basis en enige voorwaardes wat ingevolge hierdie subartikel deur die Kommissaris met betrekking tot die toepassing van daardie basis bepaal is, vir dié persoon bindend, behalwe vir sover paragraaf (ii) van die voorbehoudsbepaling 10 by paragraaf (a) van toepassing is, ten opsigte van bedoelde jaar van aanslag en alle daaropvolgende jare van aanslag en kan dit nie deur hom gewysig word nie, dan alleen met toestemming van die Kommissaris en onderworpe aan die voorwaardes 15 wat die Kommissaris, met inagneming van die omstandighede van die geval, mag bepaal, en wat vir dié persoon bindend is vir die jaar van aanslag ten opsigte waarvan die wysiging gemaak word en 20 alle daaropvolgende jare van aanslag;” en

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

“(d) Waar, aan die begin van iemand se eerste jaar van aanslag eindigende op of na 1 April 1984, handelsvoorraad (behalwe handelsvoorraad wat uit handelseffekte bestaan) deur daardie persoon besit 25 is ten opsigte van ’n bedryf deur hom beoefen, en bedoelde handelsvoorraad gewaardeer is volgens die basis van handelsvoorraad-waardering wat ooreenkomstig paragraaf (a) deur hom toegepas is, en die waarde van bedoelde handelsvoorraad, soos 30 volgens genoemde basis gewaardeer, minder was as die werklike kosprys van daardie handelsvoorraad, soos kragtens subartikel (3) (a) vasgestel, maar sonder om paragraaf (a) van hierdie subartikel toe te pas, word die verskil tussen genoemde 35 waarde en genoemde kosprys (bedoelde verskil hieronder die LIEU-reserwe genoem) volgens voorskrif van paragraaf (e) behandel.

(e) Waar die in paragraaf (d) bedoelde persoon voortgaan om die bedryf te beoefen ten opsigte waarvan 40 die betrokke handelsvoorraad besit is, en handelsvoorraad word ten opsigte van daardie bedryf deur hom besit en nie van die hand gesit nie aan die einde van die eerste jaar in genoemde paragraaf 45 bedoel of aan die einde van enige daaropvolgende jaar van aanslag, word daar van die kosprys van daardie handelsvoorraad, soos volgens voorskrif van subartikel (3) (a) vasgestel, afgetrek soveel van die LIEU-reserwe as wat genoemde kosprys 50 nie te bowe gaan nie: Met dien verstande dat die bedrag van die LIEU-reserwe wat in aanmerking kom vir aftrekking ingevolge hierdie paragraaf van die waarde van handelsvoorraad deur hom besit en nie van die hand gesit nie aan die einde van ’n jaar van aanslag nie meer is nie as die bedrag van die 55 LIEU-reserwe wat ingevolge hierdie paragraaf in aanmerking gekom het vir aftrekking van die waarde van handelsvoorraad deur hom besit en nie van die hand gesit nie aan die einde van die vooraangaande jaar van aanslag van daardie persoon. 60

(f) Waar—

- (i) voor die datum van afkondiging van die Inkomstebelastingwet, 1984, ’n handels- of nywerheidsonderneming deur een maatskappy van ’n ander maatskappy verkry is; 65
- (ii) beide maatskappye deur wesentlik dieselfde persone bestuur, beheer of besit word;
- (iii) laasgenoemde maatskappy die in paragraaf (a) bedoelde basis van handelsvoorraad-waardering toegepas het; en

INCOME TAX ACT, 1984

Act No. 121, 1984

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

5 “(b) Where the aforesaid basis of trading stock valuation has been adopted by any person in respect of any year of assessment as contemplated in this subsection, such basis and any conditions determined by the Commissioner under this subsection in relation to the adoption of the said basis shall save in so far as paragraph (ii) of the proviso to paragraph
10 (a) is applicable, be binding upon such person in respect of the said year of assessment and all subsequent years of assessment, and may not be varied by him save with the consent of the Commissioner and subject to such conditions as the
15 Commissioner, having regard to the circumstances of the case, may determine, which conditions shall be binding upon such person for the year of assessment in respect of which the variation is made and all subsequent years of assessment.”; and

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

25 “(d) Where, at the beginning of the first year of assessment of any person ending on or after 1 April 1984, trading stock (other than trading stock consisting of marketable securities) was held by that person in respect of any trade carried on by him, and such trading stock was valued on the basis of trading stock valuation adopted by him in accordance with paragraph (a), and the value of such trading stock, as determined on the said basis, was less than the cost price of that trading stock, as determined under subsection (3) (a), but without applying paragraph (a) of this subsection, the difference between the said value and the said cost price (such difference hereinafter being referred to as the LIFO reserve) shall be dealt with as provided in paragraph (e).

30 (e) Where the person referred to in paragraph (d) continues to carry on the trade in respect of which the trading stock in question was held and trading stock is held and not disposed of by him in respect of that trade at the end of the first year referred to in the said paragraph or at the end of any succeeding year of assessment, there shall be deducted from the cost price of that trading stock, as determined in accordance with the provisions of subsection (3) (a), so much of the amount of the LIFO reserve as does not exceed the said cost price: Provided that the amount of the LIFO reserve which qualifies for deduction under this paragraph from the value of trading stock held and not disposed of by him at the end of any year of assessment shall not exceed the amount of the LIFO reserve which qualified for deduction under this paragraph from the value of trading stock held by him and not disposed of by him at the end of the preceding year of assessment of that person.

35 (f) Where—

40 (i) prior to the date of promulgation of the Income Tax Act, 1984, any commercial or industrial undertaking has been acquired by one company from another company;
45 (ii) both such companies are managed, controlled or owned by substantially the same persons;
50 (iii) the last-mentioned company has adopted the basis of trading stock valuation referred to in
55 paragraph (a); and
60
65

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

(iv) die handelsvoorraad met betrekking tot bedoelde onderneming deur die eersgenoemde maatskappy verkry is teen 'n waardasie wat volgens dieselfde basis gemaak is en in die veronderstelling dat daardie maatskappy sou voortgaan om sy handelsvoorraad volgens genoemde basis te waardeer, kan die Kommissaris gelas dat, onderworpe aan die voorwaardes wat hy oplê, genoemde twee maatskappye by die toepassing van paragrawe (d) en (e) as een maatskappy beskou word."

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

- (a) word die wysiging deur subartikel (1) (a) aangebring, geag van toepassing te gewees het vanaf die begin van jare van aanslag wat op of na 1 Junie 1984 geëindig het of eindig;
- (b) word die wysiging deur subartikel (1) (b) aangebring, geag van toepassing te gewees het vanaf die begin van jare van aanslag wat op of na 1 Januarie 1984 geëindig het of eindig; en
- (c) word die wysigings deur subartikel (1) (c) tot en met (f) aangebring, geag van toepassing te gewees het vanaf die begin van jare van aanslag wat op of na 1 April 1984 geëindig het of eindig.

Wysiging van artikel 23 van Wet 58 van 1962, soos gewysig deur artikel 18 van Wet 65 van 1973.

20. Artikel 23 van die Hoofwet word hierby gewysig—

(a) deur paragraaf (d) deur die volgende paragraaf te vervang:

“(d) die belasting op inkomste gehef en enige rente ten opsigte van bedoelde belasting betalbaar ingevolge die bepalinge van artikel 89, 89bis of 89quat;” en

(b) deur die volgende paragraaf by te voeg:

“(i) onthaalonkoste deur 'n belastingpligtige aangegaan met betrekking tot 'n diens of amp deur hom bekleed ten opsigte waarvan hy besoldiging verkry soos in paragraaf 1 van die Vierde Bylae omskryf of 'n bedrag in paragraaf (iv) of (vii) van daardie omskrywing bedoel, behalwe—

(i) die onthaalonkoste wat ingevolge die bepalinge van artikel 11 (u) of (uA) van die belastingpligtige se inkomste afgetrek kan word; of

(ii) in die geval van 'n agent of verteenwoordiger wie se besoldiging normaalweg geheel of hoofsaaklik verkry word in die vorm van kommissie wat op verkope of omset gebaseer is, die onthaalonkoste wat ingevolge die bepalinge van artikel 11 (a) of (b) afgetrek kan word.”.

21. (1) Die volgende artikel word hierby in die Hoofwet na artikel 23 ingevoeg:

“Beperking van verminderinge toegestaan aan verhuurders van vervaardigingsmasjinerie of installasie of vliegtuie. 23A. (1) By die toepassing van hierdie artikel beteken—

- (i) ‘belasbare huurinkomste’, met betrekking tot 'n belastingpligtige, 'n bedrag gelyk aan die belasbare inkomste vir die betrokke jaar van aanslag wat volgens vasstelling van die Kommissaris toeskryfbaar is aan die insluiting in die belastingpligtige se inkomste van huurinkomste gedurende bedoelde jaar deur hom verkry; (iii)
- (ii) ‘huurinkomste’ inkomste verkry by wyse van huurgeld uit die verhuring van roerende eiendom met inbegrip van inkomste verkry uit die verhuring ingevolge 'n ooreenkoms van masjinerie of installasie ten opsigte waarvan 'n vermindering ingevolge artikel 12 aan die verhuurder ingevolge bedoelde ooreenkoms toegestaan is, hetsy in die lopende of 'n vorige jaar van aanslag; (ii)

Invoeging van artikel 23A in Wet 58 van 1962.

INCOME TAX ACT, 1984

Act No. 121, 1984

- (iv) the trading stock relating to such undertaking has been acquired by the first-mentioned company at a valuation made on the said basis and on the understanding that that company would continue to value its trading stock on the said basis,
- the Commissioner may direct that, subject to such conditions as he may impose, the said two companies shall for the purposes of paragraphs (d) and (e) be regarded as being one company.”
- (2) For the purposes of assessments under the principal Act—
- (a) the amendment effected by subsection (1) (a) shall be deemed to have applied from the commencement of years of assessment ended or ending on or after 1 June 1984;
- (b) the amendment effected by subsection (1) (b) shall be deemed to have applied from the commencement of years of assessment ended or ending on or after 1 January 1984; and
- (c) the amendments effected by subsection (1) (c) to (f), inclusive, shall be deemed to have applied from the commencement of years of assessment ended or ending on or after 1 April 1984.

20. Section 23 of the principal Act is hereby amended—
- (a) by the substitution for paragraph (d) of the following paragraph:
- “(d) the taxation levied on incomes and any interest payable in respect of such taxation in terms of the provisions of sections 89, 89bis or 89quat;”;
- (b) by the addition of the following paragraph:
- “(i) entertainment expenditure incurred by a taxpayer relating to any employment or office held by him in respect of which he derives remuneration as defined in paragraph 1 of the Fourth Schedule or any amount referred to in paragraph (iv) or (vii) of that definition, except—
- (i) such entertainment expenditure as may be deducted from the income of such taxpayer under the provisions of section 11 (u) or (uA); or
- (ii) in the case of an agent or representative whose remuneration is normally derived wholly or mainly in the form of commissions based on sales or turnover, such entertainment expenditure incurred by him as may be deducted in terms of the provisions of section 11 (a) or (b).”

Amendment of section 23 of Act 58 of 1962, as amended by section 18 of Act 65 of 1973.

21. (1) The following section is hereby inserted in the principal Act after section 23:

Insertion of section 23A in Act 58 of 1962.

- 23A. (1) For the purposes of this section—
- (i) ‘machinery, plant or aircraft rental’ means a rental—
- (a) which is derived by a lessor from the letting of machinery or plant in respect of which the lessor has in the current or any previous year of assessment qualified for an allowance under section 12, or of any aircraft in respect of which the lessor has in the current or any previous year of assessment qualified for an allowance under section 14bis; and
- (b) which has become payable under an agreement of lease other than an agreement of lease formally and finally signed by every party to the agreement before 15 March 1984; (iii)

50 “Limitation of allowances granted to lessors of manufacturing machinery or plant or aircraft.

55

60

65

(iii) 'masjinerie-, installasie- of vliegtuiehuurgeld' 'n huurgeld—

(a) wat deur 'n verhuurder verkry is uit die verhuring van masjinerie of installasie ten opsigte waarvan die verhuurder in die lopende of 'n vorige jaar van aanslag vir 'n vermindering ingevolge artikel 12 in aanmerking gekom het, of van 'n vliegtuig ten opsigte waarvan die verhuurder in die lopende of 'n vorige jaar van aanslag vir 'n vermindering ingevolge artikel 14*bis* in aanmerking gekom het; en

(b) wat betaalbaar geword het ingevolge 'n huurooreenkoms behalwe 'n huurooreenkoms wat voor 15 Maart 1984 formeel en finaal deur elke party tot die ooreenkoms onderteken is. (i)

(2) 'n Bepaling deur die Kommissaris kragtens die omskrywing van 'belasbare huurinkomste' in subartikel (1) is aan beswaar en appèl onderhewig.

(3) Waar die inkomste van 'n belastingpligtige vir 'n jaar van aanslag enige masjinerie-, installasie- of vliegtuiehuurgeld of -huurgelde insluit, is die som van die aftrekkings wat van bedoelde inkomste gemaak moet word by wyse van aftrekkings of verminderings ingevolge artikels 11 (e) en (o), 12 en 14*bis* ten opsigte van enige masjinerie, installasie en vliegtuie ten opsigte waarvan genoemde huurgeld of huurgelde verkry is, nie meer nie as die belastingpligtige se belasbare huurinkomste vir bedoelde jaar, soos vasgestel voor die aftrekking van sy inkomste van genoemde aftrekkings of verminderings: Met dien verstande dat waar genoemde som meer is as die belastingpligtige se belasbare huurinkomste, soos aldus vasgestel, die oorskot na die volgende daaropvolgende jaar van aanslag oorgedra word en, behoudens die bepalinge van hierdie subartikel soos met betrekking tot daardie jaar van toepassing, by die vasstelling van die belastingpligtige se belasbare inkomste vir daardie jaar geag word 'n bedrag te wees wat vir aftrekking van die belastingpligtige se inkomste vir daardie jaar ingevolge genoemde artikels in aanmerking kom."

(2) Die wysiging deur subartikel (1) aangebring, word, vir die doeleindes van aanslae ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 15 Maart 1984 geëindig het of eindig.

Wysiging van artikel 24D van Wet 58 van 1962, soos ingevoeg deur artikel 20 van Wet 96 van 1981.

22. Artikel 24D van die Hoofwet word hierby gewysig deur paragraaf (b) van subartikel (1) deur die volgende paragraaf te vervang:

“(b) regstreeks by die voorsiening van doelreffende sekerheid teen verlies, beskadiging, ontwrigting of immobilisering van 'n **[bepaalde belangrike]** plek of gebied **[synde 'n plek of gebied]** soos in artikel 1 van genoemde Wet omskryf wat, alhoewel nie ingevolge die bepalinge van genoemde Wet tot 'n Nasionale Sleutelpunt verklaar nie, deur die Minister van Verdediging of 'n deur hom aangestelde persoon of komitee geëvalueer en goedgekeur is as 'n plek of gebied ten opsigte waarvan maatreëls vir die doeltreffende sekerheid daarvan deur bedoelde belastingpligtige getref behoort te word.”

Herroeping van artikel 29 van Wet 58 van 1962, soos gewysig deur artikel 18 van Wet 90 van 1962.

23. Artikel 29 van die Hoofwet word hierby herroep.

INCOME TAX ACT, 1984

Act No. 121, 1984

(ii) 'rental income' means income derived by way of rent from the letting, of movable property and includes income derived from the letting under any agreement of machinery or plant in respect of which any allowance has been granted under section 12 to the lessor under such agreement, whether in the current or any previous year of assessment; (ii)

(iii) 'taxable rental income', in relation to any taxpayer, means an amount equivalent to the taxable income for the year of assessment in question which the Commissioner determines to be attributable to the inclusion in the taxpayer's income of rental income derived by him during such year. (i)

(2) Any determination by the Commissioner under the definition of 'taxable rental income' in subsection (1) shall be subject to objection and appeal.

(3) Where the income of any taxpayer for any year of assessment includes any machinery, plant or aircraft rental or rentals, the sum of the deductions to be made from such income by way of deductions or allowances under sections 11 (e) and (o), 12 and 14bis in respect of any machinery, plant and aircraft in respect of which the said rental or rentals were derived, shall not exceed the taxpayer's taxable rental income for such year, as determined before the deduction from his income of the said deductions or allowances: Provided that where the said sum exceeds the taxpayer's taxable rental income, as so determined, the excess shall be carried forward to the next succeeding year of assessment and shall, subject to the provisions of this subsection as applicable in relation to that year, be deemed for the purposes of determining the taxpayer's taxable income for that year, to be an amount qualifying for deduction from the taxpayer's income for that year under the said sections."

(2) The amendment effected by subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 15 March 1984.

22. Section 24D of the principal Act is hereby amended by the substitution for paragraph (b) of subsection (1) of the following paragraph:

"(b) directly in providing efficient security against loss, damage, disruption or immobilization of any **[specified important]** place or area **[being a place or area]** as defined in section 1 of the said Act which, although not declared a National Key Point under the provisions of the said Act, has been evaluated and approved by the Minister of Defence or any person or committee appointed by him as such a place or area in respect of which measures for the efficient security thereof ought to be taken by such taxpayer."

Amendment of section 24D of Act 58 of 1962, as inserted by section 20 of Act 96 of 1981.

23. Section 29 of the principal Act is hereby repealed.

Repeal of section 29 of Act 58 of 1962, as amended by section 18 of Act 90 of 1962.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

Wysiging van artikel 38 van Wet 58 van 1962, soos gewysig deur artikel 21 van Wet 90 van 1962, artikel 16 van Wet 90 van 1964, artikel 28 van Wet 89 van 1969, artikel 31 van Wet 85 van 1974 en artikel 27 van Wet 94 van 1983.

Invoeging van artikel 40A in Wet 58 van 1962.

24. Artikel 38 van die Hoofwet word hierby gewysig deur in paragraaf (b) van subartikel (2) die woorde wat subparagraaf (i) voorafgaan deur die volgende woorde te vervang:

“ ’n ander maatskappy, behalwe ’n private maatskappy soos omskryf in artikel 20 van die Maatskappywet, 1973 (Wet No. 61 van 1973) (soos van krag op 1 Januarie 1974), of ’n beslote korporasie, ten opsigte waarvan die Kommissaris oortuig is—”.

25. Die volgende artikel word hierby in Deel II van Hoofstuk II van die Hoofwet na artikel 40 ingevoeg:

“Beslote korporasies.

40A. (1) Waar ’n maatskappy wat ingevolge die

Maatskappywet, 1973 (Wet No. 61 van 1973), geregistreer is, ingevolge die bepalings van artikel 27 van die Wet op Beslote Korporasies, 1984 (Wet No. 69 van 1984), in ’n beslote korporasie omskep is, of ’n beslote korporasie ingevolge die bepalings van artikel 29C van die Maatskappywet, 1973, in ’n maatskappy omskep is, word bedoelde maatskappy en bedoelde beslote korporasie vir die doeleindes van hierdie Wet geag een en dieselfde maatskappy te wees en te gewees het.

(2) Waar by die omskepping van ’n maatskappy in ’n beslote korporasie soos in subartikel (1) beoog, ’n bedrag wat bestaan uit onuitgekeerde reserwes of onverdeelde winste met inbegrip van ’n bedrag wat ingevolge die tweede voorbehoudsbepaling by die omskrywing van ‘dividend’ in artikel 1 geag word ’n wins te wees wat beskikbaar is vir uitkering aan ’n aandeelhouer met uitsluiting van so ’n bedrag wat ingevolge die bepalings van artikel 8B in die belastingpligtige se inkomste ingesluit is, aan die end van die laaste jaar van aanslag van bedoelde maatskappy wat geëindig het voor genoemde omskepping (die datum waarvan geag word die datum van registrasie van die korporasie ingevolge artikel 27 (4) (a) van die Wet op Beslote Korporasies, 1984, te wees) beskikbaar was vir uitkering deur bedoelde maatskappy aan sy lede, word die maatskappy geag genoemde bedrag aan die korporasie uit te gekeer het op die datum van die omskepping en die bedrag wat aldus uitgekeer geag te gewees het, word geag belasbare inkomste te wees wat op daardie datum aan die korporasie toegeval het.

(3) By die toepassing van subartikel (2) word enige onuitgekeerde reserwes of onverdeelde winste van die in daardie subartikel bedoelde maatskappy geag—

(a) beskikbaar te wees vir uitkering aan sy aandeelhouders ondanks andersluidende bepalings in die akte of statute van bedoelde maatskappy; en

(b) nie ’n wins of reserwe in te sluit nie wat, indien die maatskappy op die datum van omskepping gelikwieder sou gewees het en bedoelde wins of reserwe in die loop van die likwidasië uitgekeer sou gewees het, nie ’n dividend in die hande van die aandeelhouders sou uitgemaak het nie.

(4) Ondanks andersluidende bepalings van hierdie Wet—

(a) word die bedrag aan belasbare inkomste wat ingevolge subartikel (2) aan ’n beslote korporasie geag word toe te geval het, afsonderlik vasgestel van die vasstelling van enige ander belasbare inkomste deur die korporasie verkry en enige aangeslane verlies wat deur die korporasie gely is, is nie beskikbaar om teen genoemde bedrag in vergelyking gebring te word nie;

INCOME TAX ACT, 1984

Act No. 121, 1984

24. Section 38 of the principal Act is hereby amended by the substitution in paragraph (b) of subsection (2) for the words preceding subparagraph (i) of the following words:

5 "any other company, not being a private company as defined in section 20 of the Companies Act, 1973 (Act No. 61 of 1973) (as in force on 1 January 1974), nor a close corporation, in respect of which the Commissioner is satisfied—".

Amendment of section 38 of Act 58 of 1962, as amended by section 21 of Act 90 of 1962, section 16 of Act 90 of 1964, section 28 of Act 89 of 1969, section 31 of Act 85 of 1974 and section 27 of Act 94 of 1983.

25. The following section is hereby inserted in Part II of Chapter II of the principal Act after section 40:

Insertion of section 40A in Act 58 of 1962.

10 "Close corporations. **40A.** (1) Where any company registered under the

15 Companies Act, 1973 (Act No. 61 of 1973), has under the provisions of section 27 of the Close Corporations Act, 1984 (Act No. 69 of 1984), been converted into a close corporation, or any close corporation has under the provisions of section 29C of the Companies Act, 1973, been converted into a company, such company and such close corporation shall for the purposes of this Act be deemed to be and to have been one and the same company.

20 (2) Where on the conversion of any company into a close corporation as contemplated in subsection (1) any amount consisting of undistributed reserves or unappropriated profits, including any amount which in terms of the second proviso to the definition of 'dividend' in section 1 is deemed to be a profit available for distribution to a shareholder, but excluding any such amount included in the taxpayer's income under the provisions of section 8B, was at the end of the latest year of assessment of such company which ended immediately before the said conversion (the date of which shall be deemed to be the date of registration of the corporation in terms of section 27 (4) (a) of the Close Corporations Act, 1984) available for distribution by such company to its shareholders, the company shall be deemed to have distributed the said amount to the corporation on the date of the conversion and the amount so deemed to have been distributed shall be deemed to be taxable income accruing to the corporation on that date.

25 (3) For the purposes of subsection (2) any undistributed reserves or unappropriated profits of the company referred to in that subsection shall be deemed—

30 (a) to have been available for distribution to its shareholders notwithstanding anything to the contrary in the memorandum and articles of association of such company; and

35 (b) not to include any profit or reserve which, if the company had been liquidated on the date of conversion and such profit or reserve had been distributed in the course of the liquidation, would not have constituted a dividend in the hands of the shareholders.

40 (4) Notwithstanding anything to the contrary in this Act—

45 (a) the amount of taxable income which is deemed to accrue to a close corporation in terms of subsection (2) shall be determined separately from the determination of any other taxable income derived by the corporation and any assessed loss incurred by the corporation shall not be available for set-off against the said amount;

50

55

60

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

- (b) word normale belasting ten opsigte van genoemde bedrag aan belasbare inkomste deur die korporasie betaal teen die koers van 10 persent van daardie bedrag; en
- (c) word genoemde normale belasting binne 30 dae na die datum van die omskepping betaal of binne die verdere tydperk wat die Kommissaris mag toelaat, en ten tye van die betaling van die belasting lê die korporasie aan die Kommissaris 'n verklaring voor in die vorm wat die Kommissaris voorskryf, tesame met die rekeninge wat by die vasstelling van die bedrag aan belasbare inkomste ten opsigte waarvan die belasting betaalbaar is, nodig is."

Wysiging van artikel 49 van Wet 58 van 1962, soos gewysig deur artikel 22 van Wet 90 van 1962, artikel 9 van Wet 6 van 1963, artikel 17 van Wet 90 van 1964, artikel 31 van Wet 89 van 1969, artikel 24 van Wet 88 van 1971, artikel 24 van Wet 65 van 1973, artikel 34 van Wet 85 van 1974, artikel 23 van Wet 69 van 1975, artikel 20 van Wet 113 van 1977, artikel 21 van Wet 104 van 1980, artikel 22 van Wet 96 van 1981 en artikel 30 van Wet 94 van 1983.

Wysiging van artikel 50 van Wet 58 van 1962, soos gewysig deur artikel 23 van Wet 90 van 1962, artikel 19 van Wet 95 van 1967, artikel 32 van Wet 89 van 1969, artikel 25 van Wet 88 van 1971, artikel 25 van Wet 65 van 1973 en artikel 35 van Wet 85 van 1974.

Wysiging van artikel 56 van Wet 58 van 1962, soos gewysig deur artikel 18 van Wet 90 van 1964, artikel 25 van Wet 55 van 1966, artikel 33 van Wet 89 van 1969, artikel 38 van Wet 85 van 1974, artikel 21 van Wet 113 van 1977, artikel 13 van Wet 101 van 1978, artikel 23 van Wet 96 van 1981, artikel 31 van Wet 94 van 1983 en artikel 4 van Wet 30 van 1984.

26. (1) Artikel 49 van die Hoofwet word hierby gewysig deur 15 in paragraaf (ii) van die omskrywing van "uitkeerbare inkomste" die woorde "agt-en-vyftig persent" deur die uitdrukking "50 persent" te vervang.

(2) Die wysiging deur subartikel (1) aangebring, word, vir die doeleindes van aanslae van onuitgekeerde winste ingevolge die 20 Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 1 April 1984 geëindig het of eindig.

27. Artikel 50 van die Hoofwet word hierby gewysig deur na paragraaf (aB) die volgende paragraaf in te voeg:

"(aC) 'n maatskappy wat gedurende enige gedeelte van die 25 jaar van aanslag 'n beslote korporasie was;".

28. Artikel 56 van die Hoofwet word hierby gewysig deur paragraaf (k) van subartikel (1) deur die volgende paragraaf te vervang:

"(k) as 'n vrywillige toekenning waarvan die waarde ingevolge paragraaf (c), [of] (d) of (i) van die omskrywing 30 van 'bruto inkomste' in artikel 1 by die bruto inkomste van die begiftigde ingesluit moet word;".

INCOME TAX ACT, 1984

Act No. 121, 1984

(b) normal tax shall be paid by the corporation in respect of the said amount of taxable income at the rate of 10 per cent of that amount; and
 5 (c) the said normal tax shall be paid within 30 days after the date of the conversion or within such further period as the Commissioner may allow, and at the time of payment of the tax the corporation shall submit to the Commissioner a
 10 declaration in such form as the Commissioner may prescribe together with such accounts as may be required for the purpose of determining the amount of taxable income in respect of which the tax is payable.”.

26. (1) Section 49 of the principal Act is hereby amended by the substitution in paragraph (ii) of the definition of “distributable income” for the words “fifty-eight per cent” of the expression “50 per cent”.

Amendment of section 49 of Act 58 of 1962, as amended by section 22 of Act 90 of 1962, section 9 of Act 6 of 1963, section 17 of Act 90 of 1964, section 31 of Act 89 of 1969, section 24 of Act 88 of 1971, section 24 of Act 65 of 1973, section 34 of Act 85 of 1974, section 23 of Act 69 of 1975, section 20 of Act 113 of 1977, section 21 of Act 104 of 1980, section 22 of Act 96 of 1981 and section 30 of Act 94 of 1983.

(2) The amendment effected by subsection (1) shall, for the purposes of assessments of undistributed profits tax under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 1 April 1984.

27. Section 50 of the principal Act is hereby amended by the insertion after paragraph (aB) of the following paragraph:

25 “(aC) any company which was during any portion of the year of assessment a close corporation;”.

Amendment of section 50 of Act 58 of 1962, as amended by section 23 of Act 90 of 1962, section 19 of Act 95 of 1967, section 32 of Act 89 of 1969, section 25 of Act 88 of 1971, section 25 of Act 65 of 1973 and section 35 of Act 85 of 1974.

28. Section 56 of the principal Act is hereby amended by the substitution for paragraph (k) of subsection (1) of the following paragraph:

30 “(k) as a voluntary award the value of which is required to be included in the gross income of the donee in terms of paragraph (c), [or] (d) or (i) of the definition of ‘gross income’ in section 1;”.

Amendment of section 56 of Act 58 of 1962, as amended by section 18 of Act 90 of 1964, section 25 of Act 55 of 1966, section 33 of Act 89 of 1969, section 38 of Act 85 of 1974, section 21 of Act 113 of 1977, section 13 of Act 101 of 1978, section 23 of Act 96 of 1981, section 31 of Act 94 of 1983 and section 4 of Act 30 of 1984.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

Wysiging van artikel 64C van Wet 58 van 1962, soos bygevoeg deur artikel 20 van Wet 95 van 1967 en gewysig deur artikel 15 van Wet 76 van 1968, artikel 36 van Wet 89 van 1969, artikel 21 van Wet 52 van 1970, artikel 26 van Wet 88 van 1971, artikel 20 van Wet 90 van 1972, artikel 42 van Wet 85 van 1974, artikel 22 van Wet 113 van 1977, artikel 14 van Wet 104 van 1979, artikel 22 van Wet 104 van 1980, artikel 24 van Wet 96 van 1981, artikel 21 van Wet 91 van 1982 en artikel 34 van Wet 94 van 1983.

Wysiging van artikel 88 van Wet 58 van 1962, soos vervang deur artikel 44 van Wet 85 van 1974 en gewysig deur artikel 25 van Wet 103 van 1976 en artikel 24 van Wet 91 van 1982.

Wysiging van artikel 89 van Wet 58 van 1962, soos vervang deur artikel 13 van Wet 6 van 1963 en gewysig deur artikel 25 van Wet 91 van 1982.

29. Artikel 64C van die Hoofwet word hierby gewysig deur paragraaf (a) deur die volgende paragraaf te vervang:

“(a) rente wat van die Regering (met inbegrip van die **[Spoorwegadministrasie]** Suid-Afrikaanse Vervoerdienste, ’n provinsiale administrasie en die administrasie van die gebied), ’n plaaslike bestuur, die Elektrisiteitsvoorsieningskommissie, die Suid-Afrikaanse Reserwebank **[of]**, die Suid-Afrikaanse Uitsaaikorporasie of die **Ontwikkelingsbank van Suider-Afrika gestig op 30 Junie 1983** toeval;” 5 10

30. (1) Artikel 88 van die Hoofwet word hierby deur die volgende artikel vervang:

“Betaling van belasting hangende appèl.

88. Die verpligting om ’n belasting hefbaar ingevolge hierdie Wet **[(met ingebrip van enige addisionele heffing ingevolge artikel 76, soos toegepas deur artikel 110bis, gehef) of ’n belasting op persone of die inkomstes van persone deur ’n provinsiale raad gehel]** te betaal, en die reg om dit te ontvang en te in word nie, tensy die Kommissaris aldus beveel, deur ’n appèl of hangende die beslissing van ’n geregshof ingevolge artikel 86 of 86A opgeskort nie, maar indien ’n aanslag op appèl of ooreenkomstig so ’n beslissing verander word, vind ’n behoorlike aansuiwering plaas waarby bedrae wat te veel betaal is terugbetaal word met rente teen die **[skaal van 10 persent per jaar]** voorgeskrewe koers (maar behoudens die bepalinge van artikel 89quin) bereken vanaf die datum wat, na tot bevrediging van die Kommissaris bewys word, die datum is waarop die bedrae wat te veel betaal is, ontvang is, en bedrae wat te min betaal is met rente, bereken volgens voorskrif van artikel 89, verhaal kan word **[Met dien verstande dat waar bedoelde datum voor 1 Julie 1982 val, die rente betaalbaar vir die tydperk vanaf daardie datum tot 30 Junie 1982 teen die koers van 7,5 persent per jaar bereken word].**” 15 20 25 30 35

(2) Die wysiging aangebring deur subartikel (1) tree op 1 September 1984 in werking.

31. (1) Artikel 89 van die Hoofwet word hierby gewysig deur subartikel (2) deur die volgende subartikel te vervang: 40

“(2) Indien die belastingpligtige versuim om ’n belasting ten volle te betaal binne die tydperk vir betaling deur die Kommissaris in die aanslagkennisgewing bekend gemaak of ’n verlenging van bedoelde tydperk wat die Kommissaris met inagneming van die omstandighede van die geval mag toestaan, of binne die tydperk vir betaling deur hierdie Wet voorgeskryf, na gelang van die geval, word **behoudens die bepalinge van artikel 89quin** rente op die uitstaande balans van bedoelde belasting deur die belastingpligtige betaal teen die **voorgeskrewe koers [van 10 persent per jaar]** ten opsigte van elke volle maand (bereken vanaf die datum vir betaling in die aanslagkennisgewing aangedui of die datum 45 50

INCOME TAX ACT, 1984

Act No. 121, 1984

29. Section 64C of the principal Act is hereby amended by the substitution for paragraph (a) of the following paragraph:

5 “(a) any interest accruing from the Government (including the **[railway administration] South African Transport Services**, any provincial administration and the administration of the territory), any local authority, the Electricity Supply Commission, the South African Reserve Bank **[or]**, the South African Broadcasting Corporation or the Development Bank of Southern Africa
10 established on 30 June 1983;”.

Amendment of section 64C of Act 58 of 1962, as added by section 20 of Act 95 of 1967 and amended by section 15 of Act 76 of 1968, section 36 of Act 89 of 1969, section 21 of Act 52 of 1970, section 26 of Act 88 of 1971, section 20 of Act 90 of 1972, section 42 of Act 85 of 1974, section 22 of Act 113 of 1977, section 14 of Act 104 of 1979, section 22 of Act 104 of 1980, section 24 of Act 96 of 1981, section 21 of Act 91 of 1982 and section 34 of Act 94 of 1983.

30. (1) The following section is hereby substituted for section 88 of the principal Act:

15 “**Payment of tax pending appeal.** 88. The obligation to pay and the right to receive and recover any tax chargeable under this Act **[(including any additional charge levied under section 76 as applied by section 110bis) or any tax on persons or the incomes of persons levied by any provincial council]** shall not, unless the Commissioner so directs, be suspended by any appeal or pending the decision of a court of law under section 86 or 86A, but if any assessment is altered on appeal or in conformity with any such decision a due adjustment shall be made, amounts paid in excess being refunded with interest at the prescribed rate (but subject to the provisions of section 89quin), such interest being **[of 10 per cent per annum]** calculated from the date proved to the satisfaction of the Commissioner to be the date on which such excess was received and amounts short-paid being recoverable with interest calculated as provided in section 89 **[Provided that where such date falls before 1 July 1982 the interest payable for the period from such date to 30 June 1982 shall be calculated at the rate of 7,5 per cent per annum].**”.

Amendment of section 88 of Act 58 of 1962, as substituted by section 44 of Act 85 of 1974 and amended by section 25 of Act 103 of 1976 and section 24 of Act 91 of 1982.

20 (2) The amendment effected by subsection (1) shall take effect
25 on 1 September 1984.

30 31. (1) Section 89 of the principal Act is hereby amended by the substitution for subsection (2) of the following subsection:

35 “(2) If the taxpayer fails to pay any tax in full within the period for payment notified by the Commissioner in the notice of assessment or any extension of such period which the Commissioner may grant having regard to the circumstances of the case, or within the period for payment prescribed by this Act, as the case may be, interest shall, subject to the provisions of section 89quin, be paid by the taxpayer at the prescribed rate [of 10 per cent per annum] on the outstanding balance of such tax in respect of each completed month (reckoned from the date for payment specified in the notice of assessment or the date on which the tax has become payable in terms of this Act, as the case may be) during which

Amendment of section 89 of Act 58 of 1962, as substituted by section 13 of Act 6 of 1963 and amended by section 25 of Act 91 of 1982.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

waarop die belasting ingevolge hierdie Wet betaalbaar geword het, na gelang van die geval) waartydens enige gedeelte van die belasting onbetaald gebly het **[Met dien verstande dat indien die datum vir betaling of die datum waarop die belasting betaalbaar geword het, na gelang van die geval, voor 1 Julie 1982 val en genoemde rente betaalbaar is of gedeeltelik betaalbaar is ten opsigte van 'n volle maand wat voor 1 Julie 1982 begin, is die rente betaalbaar ten opsigte van bedoelde volle maand en enige vroeër volle maand of maande die bedrag aan rente wat deur die belastingpligtige ingevolge hierdie subartikel voor die wysiging daarvan deur die Inkomstebelastingwet, 1982, betaalbaar sou gewees het indien die onbetaalde bedrag van bedoelde belasting op die dag na die einde van die enigste of laaste bedoelde maande betaal was].**"

(2) Die wysiging aangebring deur subartikel (1) tree op 1 September 1984 in werking.

Wysiging van artikel 89bis van Wet 58 van 1962, soos ingevoeg deur artikel 14 van Wet 6 van 1963 en gewysig deur artikel 21 van Wet 95 van 1967, artikel 28 van Wet 88 van 1971, artikel 45 van Wet 85 van 1974, artikel 26 van Wet 91 van 1982 en artikel 35 van Wet 94 van 1983.

32. (1) Artikel 89bis van die Hoofwet word hierby gewysig—

(a) deur in subartikel (2) die woorde wat die voorbehoudsbepaling voorafgaan deur die volgende woorde te vervang:

"Indien 'n bedrag aan werknemersbelasting nie binne die tydperk van 7 dae vir betaling daarvan soos voorgeskryf deur **[subparagraaf (1) van] paragraaf 2 (1)** van die Vierde Bylae, ten volle betaal word nie, of indien 'n bedrag aan voorlopige belasting nie binne die toepaslike tydperk vir betaling daarvan soos voorgeskryf deur paragraaf 21, 22 **[of], 23, 23A of [deur subparagraaf (1) van paragraaf] 25 (1)** van daardie Bylae, ten volle betaal word nie, word, tensy die Kommissaris met inagneming van die omstandighede van die geval anders gelas, rente deur die persoon aanspreeklik vir betaling van die betrokke bedrag betaal teen die voorgeskrewe koers (maar behoudens die bepalinge **[van artikel 89quin] [van 10 persent per jaar]** op soveel van bedoelde bedrag as wat uitstaande is ten opsigte van die tydperk (gereken van die einde van die betrokke tydperk aldus voorgeskryf vir betaling van bedoelde bedrag) waartydens die bedrag te min betaal uitstaande bly:"; en

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

"Met dien verstande dat **[waar die tydperk waartydens die bedrag te min betaal uitstaande bly voor 1 Julie 1982 'n aanvang geneem het, die rente betaalbaar ten opsigte van daardie gedeelte van die tydperk wat op 30 Junie 1982 eindig teen die koers van 7,5 persent per jaar bereken word]** enige voorlopige belasting ingevolge paragraaf 23 of 23A van genoemde Bylae deur 'n maatskappy betaalbaar wat binne 15 dae na die einde van die betrokke voorgeskrewe tydperk vir betaling betaal is, by die toepassing van hierdie subartikel geag word binne genoemde tydperk betaal te gewees het."

(2) (a) Die wysiging aangebring deur subartikel (1) (a) tree op 1 September 1984 in werking.

(b) Die wysiging deur subartikel (1) (b) aangebring, is van toepassing op betalings van voorlopige belasting wat op of na 'n datum wat deur die Minister van Finansies by kennisgewing in die *Staatskoerant* bepaal word, deur maatskappye betaal word.

Wysiging van artikel 89ter van Wet 58 van 1962, soos ingevoeg deur artikel 14 van Wet 6 van 1963,

33. Artikel 89ter van die Hoofwet word hierby gewysig—

(a) deur in subartikel (1) die uitdrukking "artikel 89 (2)" deur die uitdrukking "artikel 89 (2) of 89quat" te vervang;

INCOME TAX ACT, 1984

Act No. 121, 1984

any portion of the tax has remained unpaid **[Provided that if the date for payment or the date on which the tax has become payable, as the case may be, falls before 1 July 1982 and the said interest is chargeable or is in part chargeable in respect of any completed month commencing before 1 July 1982 the interest payable in respect of such completed month and any earlier completed month or months shall be the amount of interest which would have been payable by the taxpayer in terms of this subsection before its amendment by the Income Tax Act, 1982, if the unpaid amount of such tax had been paid on the date after the end of the only or the latest of such completed months].**”.

(2) The amendment effected by subsection (1) shall take effect on 1 September 1984.

32. (1) Section 89*bis* of the principal Act is hereby amended—
(a) by the substitution in subsection (2) for the words preceding the proviso of the following words:

“If any amount of employees tax is not paid in full within the period of 7 days prescribed for payment of such amount by **[subparagraph (1) of]** paragraph 2 (1) of the Fourth Schedule, or if any amount of provisional tax is not paid in full within the relevant period prescribed for payment of such amount by paragraph 21, 22, **[or] 23, 23A** or **[by subparagraph (1) of paragraph] 25 (1)** of that Schedule, interest shall, unless the Commissioner having regard to the circumstances of the case otherwise directs, be paid by the person liable to pay the amount in question at the prescribed rate (but subject to the provisions of section 89*quin*) **[of 10 per cent per annum]** on so much of such amount as remains unpaid in respect of the period (reckoned from the end of the relevant period prescribed as aforesaid for payment of such amount) during which the amount underpaid remains unpaid.”; and

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

“Provided that **[where the period during which the amount underpaid remains unpaid commenced before 1 July 1982 the interest payable in respect of that portion of that period ending on 30 June 1982 shall be calculated at the rate of 7,5 per cent per annum]** any provisional tax payable by any company under paragraph 23 or 23A of the said Schedule which has been paid within 15 days after the end of the relevant period prescribed for payment shall be deemed for the purposes of this subsection to have been paid within the said period.”.

(2) (a) The amendment effected by subsection (1) (a) shall take effect on 1 September 1984.

(b) The amendment effected by subsection (1) (b) shall apply in respect of provisional tax payments made by companies on or after a date fixed by the Minister of Finance by notice in the *Gazette*.

33. Section 89*ter* of the principal Act is hereby amended—

(a) by the substitution in subsection (1) for the expression “section 89 (2)” of the expression “section 89 (2) or 89*quat*”;

Amendment of section 89*bis* of Act 58 of 1962, as inserted by section 14 of Act 6 of 1963 and amended by section 21 of Act 95 of 1967, section 28 of Act 88 of 1971, section 45 of Act 85 of 1974, section 26 of Act 91 of 1982 and section 35 of Act 94 of 1983.

Amendment of section 89*ter* of Act 58 of 1962, as inserted by section 14 of Act 6 of 1963, substituted by section 37 of Act 89 of 1969 and amended by section 36 of Act 94 of 1983.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

vervang deur
artikel 37 van
Wet 89 van 1969
en gewysig deur
artikel 36 van
Wet 94 van 1983.

- (b) deur in subartikel (2) die uitdrukking "artikel 89" deur die uitdrukking "artikel 89 (2) of 89quat" te vervang; en
(c) deur die volgende paragraaf by subartikel (3) te voeg:
"(d) enige normale belasting ingevolge artikel 40A (4) (b) deur 'n beslote korporasie betaalbaar."

Invoeging van
artikels 89quat
en 89quin in
Wet 58 van 1962.

34. (1) Die volgende artikels word hierby in die Hoofwet na artikel 89ter ingevoeg:

89quat. (1) Indien, in die geval van 'n maatskappy wat 'n voorlopige belastingpligtige is, die som van— 10
(a) die voorlopige belasting wat bedoelde maatskappy ingevolge paragraaf 23 van die Vierde Bylae ten opsigte van 'n jaar van aanslag betaal het; 10
(b) enige addisionele voorlopige belasting wat bedoelde maatskappy ingevolge paragraaf 23A van daardie Bylae betaal het; en 15
(c) enige ander bedrag wat tot die krediet van bedoelde maatskappy staan op die datum van aanslag van sy aanspreeklikheid vir normale belasting vir bedoelde jaar en wat beskikbaar is om ingevolge die bepalings van paragraaf 28 (1) (d) van daardie Bylae in vergelyking gebring te word teen bedoelde aanspreeklikheid, 20
(hierna die som betaal genoem) minder is as 'n bedrag gelyk aan 90 persent van die normale belasting deur die maatskappy betaalbaar soos finaal vir genoemde jaar ingevolge die bepalings van hierdie Wet vasgestel, word, behoudens die bepalings van artikel 89quin, rente teen die voorgeskrewe koers deur die maatskappy betaal op die bedrag waarmee 90 persent van bedoelde normale belasting die som betaal te bowe gaan, bedoelde rente bereken te word vanaf 'n datum 6 maande na die einde van genoemde jaar van aanslag tot die datum van aanslag van bedoelde normale belasting. 25

(2) Waar die Kommissaris met inagneming van die omstandighede van die geval oortuig is dat 'n bedrag in die maatskappy se belasbare inkomste ingesluit is en die maatskappy op redelike gronde aangevoer het dat bedoelde bedrag nie aldus ingesluit moes gewees het nie, kan die Kommissaris die rente op so 'n wyse verminder as wat vir hom billik en redelik voorkom. 30

89quin. Waar—
(a) enige rente ingevolge die bepalings van artikel 88, 89, 89bis of 89quat of paragraaf 22 van die Sesde Bylae betaalbaar is; 35
(b) die koers waarteen bedoelde rente betaalbaar is met ingang van 'n datum verander is; en
(c) bedoelde rente betaalbaar is ten opsigte van 'n tydperk of 'n aantal volle maande wat voor bedoelde datum begin het, 40
word die rente wat bereken moet word ten opsigte van die gedeelte van bedoelde tydperk wat onmiddellik voor genoemde datum geëindig het of ten opsigte van enige bedoelde volle maande wat voor genoemde datum begin het, bereken asof genoemde koers nie aldus verander was nie." 45

(2) Subartikel (1) word—

- (a) vir sover dit voorsiening maak vir die invoeging van artikel 89quat in die Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 30 Junie 1984 geëindig het of eindig; en 50
(b) vir sover dit voorsiening maak vir die invoeging van artikel 89quin in die Hoofwet, geag op 1 Julie 1982 in werking te getree het. 55

INCOME TAX ACT, 1984

Act No. 121, 1984

- (b) by the substitution in subsection (2) for the expression "section 89" of the expression "section 89 (2) or 89quat"; and
- (c) by the addition to subsection (3) of the following paragraph:
 - 5 "(d) any normal tax payable by a close corporation in terms of section 40A (4) (b)."

34. (1) The following sections are hereby inserted in the principal Act after section 89ter:

Insertion of sections 89quat and 89quin in Act 58 of 1962.

- 10 "Interest payable where provisional tax has been underpaid by companies. **89quat.** (1) If, in the case of any company which is a provisional taxpayer, the sum of—
- 15 (a) the provisional tax paid by such company under the provisions of paragraph 23 of the Fourth Schedule in respect of any year of assessment;
 - (b) any additional provisional tax paid by such company in respect of such year under the provisions of paragraph 23A of that Schedule; and
 - 20 (c) any other amount standing to the credit of such company on the date of assessment of its liability for normal tax for such year and which is available to be set off against such liability under the provisions of paragraph 28 (1) (b) of that Schedule,
- 25 (hereinafter referred to as the sum paid) is less than an amount equal to 90 per cent of the normal tax payable by the company as finally determined for the said year under the provisions of this Act, interest shall, subject to the provisions of section 89quin, be payable by the company at the prescribed rate on the amount by which 90 per cent of such normal tax exceeds the sum paid, such interest being calculated from a date 6 months after the end of the said year of assessment until the date of assessment of such normal tax.
- 30 (2) Where the Commissioner having regard to the circumstances of the case is satisfied that any amount has been included in the company's taxable income and the company has on reasonable grounds contended that such amount should not have been so included, the Commissioner may reduce the interest in such manner as to him appears fair and reasonable.
- 35 **89quin.** Where—
- 40 (a) any interest is payable under the provisions of sections 88, 89, 89bis or 89quat or paragraph 22 of the Sixth Schedule;
 - (b) the rate at which such interest is payable has with effect from any date been altered; and
 - (c) such interest is payable in respect of any period or any number of completed months which commenced before the said date,
- 45 **Calculation of interest payable under this Act.** the interest to be determined in respect of that portion of such period which ended immediately before the said date or in respect of any such completed months which commenced before the said date shall be calculated as if the said rate had not been so altered."
- 50 (2) Subsection (1) shall—
- 55 (a) in so far as it provides for the insertion of section 89quat in the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 30 June 1984; and
 - 60 (b) in so far as it provides for the insertion of section 89quin in the principal Act, be deemed to have come into operation on 1 July 1982.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

Wysiging van artikel 90 van Wet 58 van 1962, soos gewysig deur artikel 15 van Wet 6 van 1963 en artikel 23 van Wet 95 van 1967.

35. Artikel 90 van die Hoofwet word hierby gewysig deur die uitdrukking "artikel 89" deur die uitdrukking "artikel 89 (2) of 89*quat*" te vervang.

Wysiging van artikel 91 van Wet 58 van 1962, soos gewysig deur artikel 16 van Wet 6 van 1963, artikel 26 van Wet 55 van 1966 en artikel 38 van Wet 89 van 1979.

36. Artikel 91 van die Hoofwet word hierby gewysig deur in subartikel (1) die uitdrukking "artikel 89", waar dit ook al voorkom, deur die uitdrukking "artikel 89 (2) of 89*quat*" te vervang. 5

Wysiging van artikel 103 van Wet 58 van 1962, soos gewysig deur artikel 14 van Wet 101 van 1978.

37. Artikel 103 van die Hoofwet word hierby gewysig—

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

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

(b) deur in subartikel (4) die woorde wat paragraaf (a) voorafgaan deur die volgende woorde te vervang:

"'n Beslissing van die Kommissaris ingevolge subartikel (1), (2) of (3) is aan beswaar en appèl onderhevig, en wanneer by verrichtings wat daarop betrekking het, bewys word dat die onderhawige transaksie, handeling, skema, ooreenkoms of verandering in aandeelbesit of ledebelange, die vermyding of die uitstel van aanspreeklikheid vir betaling van enige belasting of heffing wat opgelê is deur hierdie Wet of 'n vorige Inkomstebelastingwet of 'n ander wet deur die Kommissaris uitgevoer, of die vermindering van die bedrag daarvan, ten gevolg sou hê, word vermoed, totdat die teendeel bewys word—"; en

(c) deur paragraaf (b) van subartikel (4) deur die volgende paragraaf te vervang:

"(b) in die geval van so 'n ooreenkoms of verandering in aandeelbesit of ledebelange, dat dit aangegaan is of teweeggebring is uitsluitlik of hoofsaaklik met die oogmerk om die onderhawige vasgestelde verlies of balans van vasgestelde verlies aan te wend ten einde bedoelde aanspreeklikheid te vermy of uit te stel of die bedrag daarvan te verminder." 50

Wysiging van paragraaf 1 van 4de Bylae by Wet 58 van 1962,

38. Paragraaf 1 van die Vierde Bylae by die Hoofwet word hierby gewysig deur na paragraaf (b) van die omskrywing van "voorlopige belastingpligtige" die volgende paragraaf in te voeg:

INCOME TAX ACT, 1984

Act No. 121, 1984

35. Section 90 of the principal Act is hereby amended by the substitution for the expression "section 89" of the expression "section 89 (2) or 89*quat*".
- Amendment of section 90 of Act 58 of 1962, as amended by section 15 of Act 6 of 1963 and section 23 of Act 95 of 1967.
36. Section 91 of the principal Act is hereby amended by the substitution in subsection (1) for the expression "section 89", wherever it occurs, of the expression "section 89 (2) or 89*quat*".
- Amendment of section 91 of Act 58 of 1962, as amended by section 16 of Act 6 of 1963, section 26 of Act 55 of 1966 and section 38 of Act 89 of 1979.
37. Section 103 of the principal Act is hereby amended—
- (a) by the substitution for subsection (2) of the following subsection:
- 10 " (2) Whenever the Commissioner is satisfied that any agreement affecting any company or any change in the shareholding in any company or in the members' interests in any company which is a close corporation, as a
- 15 direct or indirect result of which income has been received by or has accrued to that company during any year of assessment, has at any time before or after the commencement of the Income Tax Act, 1946, been entered into or effected by any person solely or mainly for the purpose of utilizing any assessed loss or any balance of assessed loss incurred by the company, in order
- 20 to avoid liability on the part of that company or any other person for the payment of any tax, duty or levy on income, or to reduce the amount thereof, the set-off of any such assessed loss or balance of assessed loss against any such income shall be disallowed.";
- 25 (b) by the substitution in subsection (4) for the words preceding paragraph (a) of the following words:
- 30 "Any decision of the Commissioner under subsection (1), (2) or (3) shall be subject to objection and appeal, and whenever in proceedings relating thereto it is proved that the transaction, operation, scheme, agreement or change in shareholding or members' interests in question would result in the avoidance or the postponement of liability for payment of any tax, duty or levy imposed by this Act or any previous Income Tax Act or any other law administered by the Commissioner, or in the reduction of the amount thereof, it shall be presumed, until the contrary is proved—"; and
- 35 (c) by the substitution for paragraph (b) of subsection (4) of the following paragraph:
- 40 "(b) in the case of any such agreement or change in shareholding or members' interests, that it has been entered into or effected solely or mainly for the purpose of utilizing the assessed loss or balance of assessed loss in question in order to avoid or
- 45 postpone such liability or to reduce the amount thereof."
38. Paragraph 1 of the Fourth Schedule to the principal Act is hereby amended by the insertion in the definition of "provisional taxpayer" after paragraph (b) of the following paragraph:
- Amendment of paragraph 1 of 4th Schedule to Act 58 of 1962,

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

soos bygevoeg deur
artikel 19 van
Wet 6 van 1963
en gewysig deur
artikel 22 van
Wet 72 van 1963,
artikel 44 van
Wet 89 van 1969,
artikel 24 van
Wet 52 van 1970,
artikel 37 van
Wet 88 van 1971,
artikel 47 van
Wet 85 van 1974
en artikel 6 van
Wet 30 van 1984.

“(bA) tensy die Kommissaris in die besondere geval anders
gelas, ’n lid van ’n beslote korporasie indien daardie lid
gewoonlik in die Republiek woonagtig is;”.

Wysiging van
paragraaf 20 van
4de Bylae by
Wet 58 van 1962,
soos bygevoeg deur
artikel 19 van
Wet 6 van 1963
en gewysig deur
artikel 25 van
Wet 72 van 1963,
artikel 29 van
Wet 88 van 1965,
artikel 47 van
Wet 89 van 1969,
artikel 44 van
Wet 88 van 1971,
artikel 51 van
Wet 85 van 1974,
artikel 36 van
Wet 69 van 1975
en artikel 50 van
Wet 94 van 1983.

39. (1) Paragraaf 20 van die Vierde Bylae by die Hoofwet
word hierby gewysig deur in subparagraaf (1) die woorde wat 5
item (a) voorafgaan deur die volgende woorde te vervang:

“Indien die finale of laaste skatting van sy belasbare inkom-
ste ingevolge paragraaf 19 (1) (a) **[of (b)]** deur ’n voorlopige
belastingpligtige behalwe ’n maatskappy, of die skatting van
sy belasbare inkomste ten opsigte van die in paragraaf 23 10
(b) bedoelde tydperk ingevolge paragraaf 19 (1) (b) deur ’n
maatskappy wat ’n voorlopige belastingpligtige is, ten op-
sigte van ’n jaar van aanslag **[gemaak]** verstrekk ’n geskatte
bedrag van belasbare inkomste toon wat minder is as 90
persent van die bedrag van die werklike belasbare inkomste 15
ten opsigte waarvan die skatting gemaak is soos vir daardie
jaar finaal ingevolge hierdie Wet vasgestel, en ook minder is
as die basiese bedrag van toepassing op die betrokke skat-
ting, soos in paragraaf 19 (1) (d) beoog, moet die belasting-
pligtige, behoudens die bepalinge van subparagrafe (2), (3) 20
en (4), by wyse van addisionele belasting bo en behalwe die
normale belasting wat ten opsigte van sy belasbare inkomste
vir bedoelde jaar van aanslag hefbaar is, ’n bedrag aan die
Kommissaris betaal gelyk aan 20 persent van die verskil tus-
sen die bedrag aan normale belasting ten opsigte van die al- 25
dus getoonde bedrag aan belasbare inkomste bereken en
die minste van die volgende bedrae, naamlik—”.

Wysiging van
paragraaf 20A van
4de Bylae by
Wet 58 van 1962,
soos ingevoeg deur
artikel 25 van
Wet 52 van 1970
en gewysig deur
artikel 45 van
Wet 88 van 1971
en artikel 52 van
Wet 85 van 1974.

40. (1) Paragraaf 20A van die Vierde Bylae by die Hoofwet
word hierby gewysig deur subparagraaf (1) deur die volgende 30
subparagraaf te vervang:

“(1) Behoudens die bepalinge van subparagrafe (2) en
(3), waar ’n voorlopige belastingpligtige aanspreeklik is vir
die betaling van normale belasting ten opsigte van ’n bedrag
van belasbare inkomste wat hy gedurende ’n jaar van aan- 35
slag verkry het en **[hy nie]** die skatting van sy belasbare in-
komste vir daardie jaar wat volgens voorskrif van paragraaf
19 (1) gedurende die in paragraaf 21 (1) (b), 22 (1) of 23 (b)
beoogde tydperk, na gelang van die geval, verstrekk moes
gewees het, nie op of voor die laaste dag van daardie jaar
of, waar die tydperk vir die **[finale of laaste]** betaling **[deur 40**
hom] van voorlopige belasting ten opsigte van bedoelde **[be-**
lasbare inkomste] tydperk deur hom verskuldig, ingevolge
paragraaf 25 (2) tot ’n datum na die end van bedoelde jaar
verleng is, op of voor dié datum, deur hom verstrekk is nie,
[’n skatting van bedoelde belasbare inkomste volgens voor- 45
skrif van paragraaf 19 (1) aan die Kommissaris verstrekk het
nie] moet die belastingpligtige, tensy die Kommissaris be-
doelde belasbare inkomste ingevolge paragraaf 19 (2) ge-
skat het, by wyse van addisionele belasting bo en behalwe
die normale belasting wat ten opsigte van bedoelde belas- 50
bare inkomste hefbaar is, ’n bedrag aan die Kommissaris be-
taal gelyk aan 20 persent van die bedrag waarmee die nor-
male belasting wat deur hom betaalbaar is ten opsigte van

INCOME TAX ACT, 1984

Act No. 121, 1984

“(bA) unless the Commissioner in the particular case otherwise directs, any member of a close corporation if such member is ordinarily resident in the Republic;”.

as added by section 19 of Act 6 of 1963 and amended by section 22 of Act 72 of 1963, section 44 of Act 89 of 1969, section 24 of Act 52 of 1970, section 37 of Act 88 of 1971, section 47 of Act 85 of 1974 and section 6 of Act 30 of 1984.

39. (1) Paragraph 20 of the Fourth Schedule to the principal Act is hereby amended by the substitution in subparagraph (1) for the words preceding item (a) of the following words:

Amendment of paragraph 20 of 4th Schedule to Act 58 of 1962, as added by section 19 of Act 6 of 1963 and amended by section 25 of Act 72 of 1963, section 29 of Act 88 of 1965, section 47 of Act 89 of 1969, section 44 of Act 88 of 1971, section 51 of Act 85 of 1974, section 36 of Act 69 of 1975 and section 50 of Act 94 of 1983.

“If the final or last estimate of his taxable income **[made]** submitted in terms of paragraph 19 (1) (a) **[or (b)]** by a provisional taxpayer other than a company, or the estimate of his taxable income in respect of the period contemplated in paragraph 23 (b) submitted in terms of paragraph 19 (1) (b) by a company which is a provisional taxpayer, in respect of any year of assessment discloses an estimated amount of taxable income which is less than 90 per cent of the amount of the actual taxable income in respect of which the estimate was made, as finally determined for that year under this Act, and which is also less than the basic amount applicable to the estimate in question, as contemplated in paragraph 19 (1) (d), the taxpayer shall, subject to the provisions of subparagraphs (2), (3) and (4), be required to pay to the Commissioner, in addition to the normal tax chargeable in respect of his taxable income for such year of assessment, an amount by way of additional tax equal to 20 per cent of the difference between the amount of normal tax as calculated in respect of the amount of taxable income as so disclosed and the lesser of the following amounts, namely—”.

(2) The amendment effected by subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 30 June 1984.

40. (1) Paragraph 20A of the Fourth Schedule to the principal Act is hereby amended by the substitution for subparagraph (1) of the following subparagraph:

Amendment of paragraph 20A of 4th Schedule to Act 58 of 1962, as inserted by section 25 of Act 52 of 1970 and amended by section 45 of Act 88 of 1971 and section 52 of Act 85 of 1974.

“(1) Subject to the provisions of subparagraphs (2) and (3), where any provisional taxpayer is liable for the payment of normal tax in respect of any amount of taxable income derived by him during any year of assessment and **[he has not]** the estimate of his taxable income for that year required to be submitted by him under paragraph 19 (1) during the period contemplated in paragraph 21 (1) (b), 22 (1) or 23 (b), as the case may be, was not submitted by him on or before the last day of that year or, if the period for the **[final or last]** payment of provisional tax due by him in respect of such **[taxable income]** period has under paragraph 25 (2) been extended to a date later than the end of such year, on or before such date, **[submitted to the Commissioner an estimate of such taxable income as required under paragraph 19 (1)]** the taxpayer shall, unless the Commissioner has estimated the said taxable income under paragraph 19 (2), be required to pay to the Commissioner, in addition to the normal tax chargeable in respect of such taxable income, an amount by way of additional tax equal to 20 per cent of the amount by which the normal tax payable by him in respect of such taxable income exceeds the sum of any amounts of provisional tax paid by him in respect of such taxable income within any period allowed for the pay-

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

bedoelde belasbare inkomste die totaal van enige bedrae aan voorlopige belasting ten opsigte van bedoelde belasbare inkomste deur hom betaal binne 'n tydperk wat vir die betaling van daardie voorlopige belasting ingevolge hierdie Deel toegelaat word of binne 'n verlenging van daardie tydperk ingevolge paragraaf 25 (2) en enige bedrae aan werknemersbelasting wat deur sy werkgever gedurende bedoelde jaar van sy besoldiging afgetrek of teruggehou is, te bowe gaan."

(2) Die wysiging deur subartikel (1) aangebring, word, vir die doeleindes van aanslae ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van jare van aanslag wat op of na 30 Junie 1984 geëindig het of eindig.

Wysiging van paragraaf 23 van 4de Bylae by Wet 58 van 1962, soos vervang deur artikel 51 van Wet 94 van 1983.

41. (1) Paragraaf 23 van die Vierde Bylae by die Hoofwet word hierby gewysig deur items (a) en (b) deur onderskeidelik die volgende items te vervang:

"(a) binne die tydperk eindigende 6 maande **[vanaf na]** die begin van die onderhawige jaar van aanslag, een-helfte van 'n bedrag gelyk aan die totale geskatte aanspreeklikheid van die maatskappy (soos volgens voorskrif van paragraaf 17 vasgestel) vir normale belasting ten opsigte van daardie jaar; **[en]**

(b) **[nie later nie]** binne die tydperk eindigende op die laaste dag van **[die onderhawige]** daardie jaar **[van aanslag]**, 'n bedrag gelyk aan die totale geskatte aanspreeklikheid van die maatskappy (soos **[volgens voorskrif van paragraaf 17 finaal]** aldus vasgestel) vir normale belasting ten opsigte van daardie jaar, min die bedrag ingevolge item (a) betaal; en

(c) binne die tydperk eindigende 6 maande na die laaste dag van daardie jaar, 'n bedrag gelyk aan die totale geskatte aanspreeklikheid van die maatskappy (soos finaal aldus vasgestel) vir normale belasting ten opsigte van daardie jaar, min die som van die bedrae ingevolge items (a) en (b) betaal."

(2) Die wysiging deur subartikel (1) aangebring, is van toepassing ten opsigte van jare van aanslag wat op of na 30 Junie 1984 geëindig het of eindig.

Invoeging van paragraaf 23A in 4de Bylae by Wet 58 van 1962.

42. (1) Die volgende opskrif en paragraaf word hierby in die Vierde Bylae by die Hoofwet na paragraaf 23 ingevoer:

"ADDISIONELE BETALINGS VAN VOORLOPIGE BELASTING DEUR MAATSKAPPYE.

23A. (1) 'n Maatskappy wat 'n voorlopige belastingpligtige is, kan met die doel om enige rente te vermy of verminder wat ingevolge artikel 89*quat* ten opsigte van 'n jaar van aanslag deur hom betaalbaar mag word, kies om 'n addisionele betaling van voorlopige belasting ten opsigte van bedoelde jaar te maak.

(2) 'n Addisionele betaling van voorlopige belasting in subparagraaf (1) bedoel wat na die einde van die in paragraaf 23 (c) bedoelde tydperk, soos met betrekking tot genoemde jaar van toepassing, betaal word, word by die toepassing van artikel 89*bis* (2) geag 'n bedrag aan voorlopige belasting te wees wat binne genoemde tydperk betaalbaar was."

(2) Die wysiging deur subartikel (1) aangebring, is van toepassing ten opsigte van jare van aanslag wat op of na 30 Junie 1984 geëindig het of eindig.

Wysiging van paragraaf 27 van 4de Bylae by Wet 58 van 1962, soos bygevoeg deur artikel 19 van Wet 6 van 1963.

43. (1) Paragraaf 27 van die Vierde Bylae by die Hoofwet word hierby gewysig deur die volgende subparagraaf by te voeg:

"(3) 'n Bedrag aan voorlopige belasting wat deur 'n maatskappy betaal is nie later nie as 15 dae na die einde van die tydperk toegelaat vir betaling daarvan, word by die toepas-

INCOME TAX ACT, 1984

Act No. 121, 1984

ment of such provisional tax under this Part or within any extension of such period under paragraph 25 (2) and any amounts of employees tax deducted or withheld from his remuneration by his employer during such year.”

- 5 (2) The amendment effected by subsection (1) shall, for the purposes of assessments under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ended or ending on or after 30 June 1984.

41. (1) Paragraph 23 of the Fourth Schedule to the principal Act is hereby amended by the substitution for items (a) and (b) of the following items, respectively:

Amendment of paragraph 23 of 4th Schedule to Act 58 of 1962, as substituted by section 51 of Act 94 of 1983.

- 10
15
20
25
30
35
40
45
50
- “(a) within the period ending 6 months **[of] after** the commencement of the year of assessment in question, one half of an amount equal to the total estimated liability of such company (as determined in accordance with paragraph 17) for normal tax in respect of that year; **[and]**
- (b) **[not later than]** within the period ending on the last day of **[the] that** year **[of assessment in question]**, an amount equal to the total estimated liability of such company (as **[finally] so** determined **[in accordance with paragraph 17]**) for normal tax in respect of that year less the amount paid in terms of item (a); and
- (c) within the period ending 6 months after the last day of that year, an amount equal to the total estimated liability of such company (as finally so determined) for normal tax in respect of that year less the sum of the amounts paid under items (a) and (b).”

(2) The amendment effected by subsection (1) shall apply in respect of years of assessment ended or ending on or after 30 June 1984.

42. (1) The following heading and paragraph are hereby inserted in the Fourth Schedule to the principal Act after paragraph 23:

Insertion of paragraph 23A in 4th Schedule to Act 58 of 1962.

35 **“ADDITIONAL PROVISIONAL TAX PAYMENTS BY COMPANIES.**

23A. (1) Any company which is a provisional taxpayer may for the purpose of avoiding or reducing its liability for any interest which may become payable by it in respect of any year of assessment under section 89*quat*, elect to make an additional payment of provisional tax in respect of such year.

40
45
50

(2) Any additional payment of provisional tax contemplated in subparagraph (1) which is paid after the end of the period referred to in paragraph 23 (c), as applicable in relation to the said year, shall be deemed for the purposes of section 89*bis* (2) to be an amount of provisional tax which was payable within the said period.”

(2) The amendment effected by subsection (1) shall apply in respect of years of assessment ended or ending on or after 30 June 1984.

43. (1) Paragraph 27 of the Fourth Schedule to the principal Act is hereby amended by the addition of the following subparagraph:

Amendment of paragraph 27 of 4th Schedule to Act 58 of 1962, as added by section 19 of Act 6 of 1963.

55 “(3) Any amount of provisional tax which has been paid by a company not later than 15 days after the end of the period allowed for payment thereof shall be deemed for the

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

sing van subparagraaf (1) geag binne genoemde tydperk betaal te gewees het.”.

(2) Die wysiging deur subartikel (1) aangebring, is van toepassing op betalings van voorlopige belasting wat op of na 'n datum wat deur die Minister van Finansies by kennisgewing in die *Staatskoerant* bepaal word, deur maatskappye gedoen word. 5

Wysiging van paragraaf 28 van 4de Bylae by Wet 58 van 1962, soos bygevoeg deur artikel 19 van Wet 6 van 1963 en gewysig deur artikel 29 van Wet 90 van 1964, artikel 30 van Wet 95 van 1967, artikel 48 van Wet 89 van 1969, artikel 48 van Wet 88 van 1971, artikel 23 van Wet 90 van 1972, artikel 55 van Wet 85 van 1974 en artikel 53 van Wet 94 van 1983.

Vervanging van paragraaf 22 van 6de Bylae by Wet 58 van 1962, soos vervang deur artikel 59 van Wet 94 van 1983.

Byvoeging van 7de Bylae by Wet 58 van 1962.

Herroeping van artikel 61 van Wet 94 van 1983.

Herroeping van artikel 61 van Wet 11 van 1977.

Wysiging van artikel 1 van Wet 91 van 1978, soos gewysig deur artikel 1 van Wet 63 van 1979, artikel 1 van Wet 47 van 1980 en artikel 1 van Wet 73 van 1982.

44. Paragraaf 28 van die Vierde Bylae by die Hoofwet word hierby gewysig deur subparagraaf (8) deur die volgende subparagraaf te vervang:

“(8) By die toepassing van hierdie paragraaf beteken ‘belastings’ die normale **[en superbelastings] belasting** wat ingevolge hierdie Wet **[of 'n vorige Inkomstebelastingwet]** gehef word **[en die belastings wat deur provinsiale rade op persone en die inkomste van persone gehef word]**, **maar met uitsluiting van enige normale belasting deur 'n beslote korporasie ingevolge artikel 40A (4) (b) betaalbaar.**” 15

45. (1) Paragraaf 22 van die Sesde Bylae by die Hoofwet word hierby deur die volgende paragraaf vervang:

“22. Indien 'n bedrag wat 'n versekeraar ingevolge die bepaling van paragraaf 17 aan die Kommissaris moet betaal nie binne die toepaslike tydperk wat ingevolge daardie bepaling vir die betaling van daardie bedrag toegelaat word, ten volle betaal word nie, word, tensy die Kommissaris met inagneming van die omstandighede van die geval anders gelas, rente deur die versekeraar aanspreeklik vir die betaling van die betrokke bedrag betaal teen die voorgeskrewe koers **[van 10 persent per jaar]** (maar behoudens die bepaling van artikel 89quin) op soveel van bedoelde bedrag as wat onbetaald is ten opsigte van die tydperk (gereken van die end van eersbedoelde tydperk) waartydens die bedrag wat nie betaal is nie, uitstaande bly **[Met dien verstande dat waar die tydperk waartydens die bedrag te min betaal uitstaande bly, voor 1 Julie 1983 'n aanvang geneem het, die rente betaalbaar ten opsigte van daardie gedeelte van die tydperk wat op 30 Junie 1983 eindig, teen die koers van 7,5 persent per jaar bereken word]**.” 20 25 30 35

(2) Die wysiging aangebring deur subartikel (1) tree op 1 September 1984 in werking.

46. Bylae 2 by hierdie Wet word hierby as die Sewende Bylae by die Hoofwet gevoeg, en word geag deel van die Hoofwet te wees en word dienooreenkomstig uitgelê en toegepas. 40

47. Artikel 61 van die Inkomstebelastingwet, 1983, word hierby herroep.

48. Artikel 61 van die Konsolidasiewet op Finansiële en Finansiële Reëlinswette, 1977, word hierby herroep. 45

49. Artikel 1 van die Wet op Besoldiging van Regters, 1978, word hierby gewysig deur subartikel (2) te skrap.

INCOME TAX ACT, 1984

Act No. 121, 1984

purposes of subparagraph (1) to have been paid within the said period.”.

(2) The amendment effected by subsection (1) shall apply in respect of provisional tax payments made by companies on or 5 after a date fixed by the Minister of Finance by notice in the *Gazette*.

44. Paragraph 28 of the Fourth Schedule to the principal Act is hereby amended by the substitution for subparagraph (8) of the following subparagraph:

10 “(8) For the purposes of this paragraph, ‘taxes’ means the normal **[and super taxes] tax** levied under this Act **[or any previous Income Tax Act, and the taxes levied by provincial councils on persons and the incomes of persons], but excluding** any normal tax payable by a close corporation under
15 section 40A (4) (b).”.

Amendment of paragraph 28 of 4th Schedule to Act 58 of 1962, as added by section 19 of Act 6 of 1963 and amended by section 29 of Act 90 of 1964, section 30 of Act 95 of 1967, section 48 of Act 89 of 1969, section 48 of Act 88 of 1971, section 23 of Act 90 of 1972, section 55 of Act 85 of 1974 and section 53 of Act 94 of 1983.

45. (1) The following paragraph is hereby substituted for paragraph 22 of the Sixth Schedule to the principal Act:

20 “22. If any amount which an insurer is required to pay to the Commissioner under the provisions of paragraph 17 is not paid in full within the relevant period allowed under those provisions for the payment of such amount, interest shall, unless the Commissioner having regard to the circumstances of the case otherwise directs, be paid by the insurer liable to pay the amount in question at the prescribed rate
25 (but subject to the provisions of section 89quin) [of 10 per cent per annum] on so much of such amount as remains unpaid in respect of the period (reckoned from the end of the first-mentioned period) during which the amount not paid remains unpaid **[Provided that where the period during which the amount not paid remains unpaid commenced before 1 July 1983 the interest payable in respect of that portion of that period ending on 30 June 1983 shall be calculated at the rate of 7,5 per cent per annum].**”.

Substitution of paragraph 22 of 6th Schedule to Act 58 of 1962, as substituted by section 59 of Act 94 of 1983.

30 (2) The amendment effected by subsection (1) shall take effect
35 on 1 September 1984.

46. Schedule 2 to this Act is hereby added to the principal Act as the Seventh Schedule thereto, and shall be deemed to be and shall be construed and applied as one with the principal Act.

Addition of 7th Schedule to Act 58 of 1962.

47. Section 61 of the Income Tax Act, 1983, is hereby repealed.
40 ed.

Repeal of section 61 of Act 94 of 1983.

48. Section 61 of the Finance and Financial Adjustments Acts Consolidation Act, 1977, is hereby repealed.

Repeal of section 61 of Act 11 of 1977.

49. Section 1 of the Judges’ Remuneration Act, 1978, is hereby amended by the deletion of subsection (2).

Amendment of section 1 of Act 91 of 1978, as amended by section 1 of Act 63 of 1979, section 1 of Act 47 of 1980 and section 1 of Act 73 of 1982.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

Inwerkingtreeding
van sekere
wysigings.

50. (1) Behalwe vir sover daarin anders bepaal word of uit die samehang anders blyk, word die wysigings (behalwe die wysigings in subartikel (2) bedoel) deur hierdie Wet aan die Hoofwet aangebring, vir die doeleindes van aanslae ten opsigte van normale belasting en belasting op onuitgekeerde winste ingevolge die Hoofwet, geag in werking te getree het vanaf die begin van die jare van aanslag wat op of na 1 Januarie 1985 eindig.

(2) Die wysigings deur artikels 2 (1) (c), (d), (h) en (i), 5 (1) (a), 9, 10 (1) (f) en (g), 11 (1) (i) en (j), 20 (b), 23, 28 en 46, aan die Hoofwet aangebring, en die wysigings deur artikels 48 10 en 49 aangebring, tree in werking vanaf die begin van jare van aanslag wat op of na 1 Maart 1985 eindig.

Kort titel.

51. Hierdie Wet heet die Inkomstebelastingwet, 1984.

Bylae 1

SKALE VAN NORMALE BELASTING BETAALBAAR DEUR ANDER PERSONE AS MAATSKAPPE TEN OPSIGTE VAN DIE JARE VAN AANSLAG EINDIGENDE OP 28 FEBRUARIE 1985 EN 30 JUNIE 1985, EN DEUR MAATSKAPPE TEN OPSIGTE VAN JARE VAN AANSLAG WAT EINDIG GEDURENDE DIE TYDPERK VAN TWAALF MAANDE EINDIGENDE OP 31 MAART 1985.

(Artikel 1 van hierdie Wet)

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

- (a) ten opsigte van die belasbare inkomste van 'n ander persoon as 'n maatskappy, 'n bedrag van belasting wat ooreenkomstig die tabel hieronder bereken word: Met dien verstande dat in die geval van 'n persoon wat nie 'n getroude persoon is nie—
- (i) daar by die bedrag van belasting volgens bedoelde tabel bereken ten opsigte van soveel van die belasbare inkomste van bedoelde persoon as wat R28 000 nie te bowe gaan nie 'n toeslag gevoeg word gelyk aan 20 persent van 'n bedrag wat verkry word deur van die bedrag van belasting aldus bereken 'n bedrag af te trek gelykstaande aan die som van die kortings wat ingevolge artikel 6 van die Hoofwet afgetrek kan word;
- (ii) waar die belasbare inkomste van bedoelde persoon R28 000 te bowe gaan, die bedrag van belasting wat bereken moet word ten opsigte van daardie gedeelte van sy belasbare inkomste wat oorbly nadat die som van R28 000 daarvan afgetrek is, bereken word teen die skaal van 50 persent van bedoelde gedeelte in plaas van 'n belastingberekening volgens bedoelde tabel ten opsigte van bedoelde gedeelte;

Tabel

Belasbare Inkomste	Skale van Belasting
Waar die belasbare inkomste— R8 000 nie te bowe gaan nie	12 persent van elke R1 van die belasbare inkomste;
R8 000 te bowe gaan, maar nie R9 000 nie	R960 plus 14 persent van die bedrag waarmee die belasbare inkomste R8 000 oorskry;
R9 000 „ „ R10 000 „	R1 100 plus 16 persent van die bedrag waarmee die belasbare inkomste R9 000 oorskry;
R10 000 „ „ R11 000 „	R1 260 plus 18 persent van die bedrag waarmee die belasbare inkomste R10 000 oorskry;
R11 000 „ „ R12 000 „	R1 440 plus 20 persent van die bedrag waarmee die belasbare inkomste R11 000 oorskry;
R12 000 „ „ R13 000 „	R1 640 plus 22 persent van die bedrag waarmee die belasbare inkomste R12 000 oorskry;
R13 000 „ „ R14 000 „	R1 860 plus 24 persent van die bedrag waarmee die belasbare inkomste R13 000 oorskry;
R14 000 „ „ R15 000 „	R2 100 plus 26 persent van die bedrag waarmee die belasbare inkomste R14 000 oorskry;
R15 000 „ „ R16 000 „	R2 360 plus 28 persent van die bedrag waarmee die belasbare inkomste R15 000 oorskry;
R16 000 „ „ R18 000 „	R2 640 plus 30 persent van die bedrag waarmee die belasbare inkomste R16 000 oorskry;
R18 000 „ „ R20 000 „	R3 240 plus 32 persent van die bedrag waarmee die belasbare inkomste R18 000 oorskry;
R20 000 „ „ R22 000 „	R3 880 plus 34 persent van die bedrag waarmee die belasbare inkomste R20 000 oorskry;

INCOME TAX ACT, 1984

Act No. 121, 1984

50. (1) Save in so far as is otherwise provided therein or the context otherwise indicates, the amendments (other than the amendments referred to in subsection (2)) effected to the principal Act by this Act shall, for the purposes of assessments in respect of normal tax and undistributed profits tax under the principal Act, be deemed to have taken effect as from the commencement of years of assessment ending on or after 1 January 1985.

Commencement
of certain
amendments.

(2) The amendments effected to the principal Act by sections 2 (1) (e), (f), (g) and (i), 5 (1) (a), 9, 10 (1) (f) and (g), 11 (1) (i) and (j), 20 (b), 23, 28 and 46, and the amendments effected by sections 48 and 49, shall take effect as from the commencement of years of assessment ending on or after 1 March 1985.

51. This Act shall be called the Income Tax Act, 1984.

Short title.

Schedule 1

RATES OF NORMAL TAX PAYABLE BY PERSONS OTHER THAN COMPANIES IN RESPECT OF THE YEARS OF ASSESSMENT ENDING 28 FEBRUARY 1985 AND 30 JUNE 1985, AND BY COMPANIES IN RESPECT OF YEARS OF ASSESSMENT ENDING DURING THE PERIOD OF TWELVE MONTHS ENDING 31 MARCH 1985.

(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 table below: Provided that in the case of a person who is not a married person —

- (i) there shall be added to the amount of tax calculated in accordance with the said table in respect of so much of the taxable income of such person as does not exceed R28 000 a surcharge equal to 20 per cent of an amount arrived at by deducting from the amount of tax so calculated an amount equal to the sum of the rebates allowed to be deducted under section 6 of the principal Act;
- (ii) where the taxable income of such person exceeds R28 000, the amount of tax to be calculated in respect of that portion of his taxable income as remains after the deduction therefrom of the sum of R28 000 shall, in lieu of any calculation of tax in accordance with the said table in respect of the said portion, be calculated at the rate of 50 per cent of the said portion;

Table

Taxable Income	Rates of Tax
Where the taxable income — does not exceed R8 000	12 per cent of each R1 of the taxable income;
exceeds R8 000 but does not exceed R9 000	R960 plus 14 per cent of the amount by which the taxable income exceeds R8 000;
„ R9 000 „ „ „ R10 000	R1 100 plus 16 per cent of the amount by which the taxable income exceeds R9 000;
„ R10 000 „ „ „ R11 000	R1 260 plus 18 per cent of the amount by which the taxable income exceeds R10 000;
„ R11 000 „ „ „ R12 000	R1 440 plus 20 per cent of the amount by which the taxable income exceeds R11 000;
„ R12 000 „ „ „ R13 000	R1 640 plus 22 per cent of the amount by which the taxable income exceeds R12 000;
„ R13 000 „ „ „ R14 000	R1 860 plus 24 per cent of the amount by which the taxable income exceeds R13 000;
„ R14 000 „ „ „ R15 000	R2 100 plus 26 per cent of the amount by which the taxable income exceeds R14 000;
„ R15 000 „ „ „ R16 000	R2 360 plus 28 per cent of the amount by which the taxable income exceeds R15 000;
„ R16 000 „ „ „ R18 000	R2 640 plus 30 per cent of the amount by which the taxable income exceeds R16 000;
„ R18 000 „ „ „ R20 000	R3 240 plus 32 per cent of the amount by which the taxable income exceeds R18 000;
„ R20 000 „ „ „ R22 000	R3 880 plus 34 per cent of the amount by which the taxable income exceeds R20 000;

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

Belasbare Inkomste		Skale van Belasting
Waar die belasbare inkomste —		
R22 000 te bowe gaan, maar nie	R24 000 nie	R4 560 plus 36 persent van die bedrag waarmee die belasbare inkomste R22 000 oorskry;
R24 000	„ „ R26 000 „	R5 280 plus 38 persent van die bedrag waarmee die belasbare inkomste R24 000 oorskry;
R26 000	„ „ R28 000 „	R6 040 plus 40 persent van die bedrag waarmee die belasbare inkomste R26 000 oorskry;
R28 000	„ „ R30 000 „	R6 840 plus 42 persent van die bedrag waarmee die belasbare inkomste R28 000 oorskry;
R30 000	„ „ R32 000 „	R7 680 plus 44 persent van die bedrag waarmee die belasbare inkomste R30 000 oorskry;
R32 000	„ „ R34 000 „	R8 560 plus 46 persent van die bedrag waarmee die belasbare inkomste R32 000 oorskry;
R34 000	„ „ R36 000 „	R9 480 plus 47 persent van die bedrag waarmee die belasbare inkomste R34 000 oorskry;
R36 000	„ „ R38 000 „	R10 420 plus 48 persent van die bedrag waarmee die belasbare inkomste R36 000 oorskry;
R38 000	„ „ R40 000 „	R11 380 plus 49 persent van die bedrag waarmee die belasbare inkomste R38 000 oorskry;
R40 000 te bowe gaan	R12 360 plus 50 persent van die bedrag waarmee die belasbare inkomste R40 000 oorskry;

(b) op elke rand van die belasbare inkomste van 'n maatskappy (met uitsondering van belasbare inkomste uit mynwerksaamhede verkry en belasbare inkomste in subparagraaf (e) bedoel), 50 sent;

(c) op elke rand van die belasbare inkomste wat deur 'n maatskappy uit die myn van goud op 'n ander wyse as op 'n na-1966-goudmyn verkry word (maar met uitsluiting van soveel van die belasbare inkomste as wat volgens vasstelling van die Kommissaris toe te skryf is aan die inrekening by die bruto inkomste van 'n bedrag bedoel in paragraaf (j) van die omskrywing van "bruto inkomste" in artikel 1 van die Hoofwet), 'n persentasie vasgestel ooreenkomstig die formule:

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

in welke formule (asook die formules in die eerste en tweede voorbehoudsbepalings hierby uiteengesit) y die bedoelde persentasie voorstel en x die verhouding, as 'n persentasie uitgedruk, waarin die aldus verkreë belasbare inkomste (met genoemde uitsluiting) staan tot die aldus verkreë inkomste (met genoemde uitsluiting): Met dien verstande dat indien die aldus verkreë belasbare inkomste (met genoemde uitsluiting) nie meer as R40 000 bedra nie, die belasting skaal nie hoër is nie as 'n persentasie vasgestel ooreenkomstig die formule:

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

en indien bedoelde belasbare inkomste meer as R40 000 bedra, die belasting skaal nie hoër is nie as 'n persentasie vasgestel ooreenkomstig 'n formule wat verkry word deur die getal 20 in die formule

$y = 20 \left(1 - \frac{6}{x}\right)$ te verhoog met een vir elke volle bedrag van R2 500 wat genoemde belasbare in-

komste meer as R40 000 bedra: Met dien verstande voorts dat waar 'n sertifikaat deur die Staatsmyningenieur gegee word ten effekte dat voorgeskrewe voorwaardes nagekom is, die belasting skaal ten opsigte van belasbare inkomste uit die myn van goud op 'n ondersteunde goudmyn verkry nie

hoër is nie as 'n persentasie vasgestel ooreenkomstig die formule $y = 68 - \frac{601}{x}$: Met dien verstande

voorts dat daar by die bedrag van belasting bereken volgens die voorgaande bepaling van hierdie subparagraaf, behalwe die tweede voorbehoudsbepaling, 'n toeslag gevoeg word gelyk aan 20 persent van bedoelde bedrag;

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

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

in welke formule (asook in die formules in die eerste voorbehoudsbepaling hierby uiteengesit) y die bedoelde persentasie voorstel en x die verhouding, as 'n persentasie uitgedruk, waarin die aldus verkreë belasbare inkomste (met genoemde uitsluiting) staan tot die aldus verkreë inkomste (met genoemde uitsluiting): Met dien verstande dat indien die aldus verkreë belasbare inkomste (met ge-

INCOME TAX ACT, 1984

Act No. 121, 1984

Taxable Income	Rates of Tax
Where the taxable income —	
exceeds R22 000 but does not exceed R24 000	R4 560 plus 36 per cent of the amount by which the taxable income exceeds R22 000;
„ R24 000 „ „ „ R26 000	R5 280 plus 38 per cent of the amount by which the taxable income exceeds R24 000;
„ R26 000 „ „ „ R28 000	R6 040 plus 40 per cent of the amount by which the taxable income exceeds R26 000;
„ R28 000 „ „ „ R30 000	R6 840 plus 42 per cent of the amount by which the taxable income exceeds R28 000;
„ R30 000 „ „ „ R32 000	R7 680 plus 44 per cent of the amount by which the taxable income exceeds R30 000;
„ R32 000 „ „ „ R34 000	R8 560 plus 46 per cent of the amount by which the taxable income exceeds R32 000;
„ R34 000 „ „ „ R36 000	R9 480 plus 47 per cent of the amount by which the taxable income exceeds R34 000;
„ R36 000 „ „ „ R38 000	R10 420 plus 48 per cent of the amount by which the taxable income exceeds R36 000;
„ R38 000 „ „ „ R40 000	R11 380 plus 49 per cent of the amount by which the taxable income exceeds R38 000;
„ R40 000	R12 360 plus 50 per cent of the amount by which the taxable income exceeds R40 000;

(b) on each rand of the taxable income of any company (excluding taxable income derived from mining operations and taxable income referred to in subparagraph (e)), 50 cents;

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

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

in which formula (and in the formulae set out in the first and second provisos hereto) y represents such percentage and x the ratio expressed as a percentage which the taxable income so derived (with the said exclusion) bears to the income so derived (with the said exclusion): Provided that if the taxable income so derived (with the said exclusion) does not exceed R40 000, the rate of tax shall not exceed a percentage determined in accordance with the formula:

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

and if such taxable income exceeds R40 000, the rate of tax shall not exceed a percentage determined in accordance with a formula arrived at by increasing the number 20 in the formula $y = 20 \left(1 - \frac{6}{x} \right)$ by one for each completed amount of R2 500 by which the said taxable income exceeds R40 000: Provided further that where a certificate is given by the Government Mining Engineer to the effect that prescribed conditions have been complied with, the rate of tax in respect of taxable income derived from mining for gold on an assisted gold mine shall not exceed a percentage determined in accordance with the formula $y = 68 - \frac{601}{x}$: Provided further that there shall be added to the amount of tax calculated in accordance with the preceding provisions of this subparagraph, excluding the second proviso, a surcharge equal to 20 per cent of such amount;

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

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

in which formula (and in the formulae set out in the first proviso hereto) y represents such percentage and x the ratio expressed as a percentage which the taxable income so derived (with the said exclusion) bears to the income so derived (with the said exclusion): Provided that if the taxable in-

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

noemde uitsluiting) nie meer as R40 000 bedra nie, die belastingskaal nie hoër is nie as 'n persentasie vasgestel ooreenkomstig die formule:

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

en indien bedoelde belasbare inkomste meer as R40 000 bedra, die belastingskaal nie hoër is nie as 'n persentasie vasgestel ooreenkomstig 'n formule wat verkry word deur die getal 20 in die formule

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

te verhoog met een vir elke volle bedrag van R2 500 wat genoemde belasbare in-

komste meer as R40 000 bedra: Met dien verstande voorts dat daar by die bedrag van belasting bereken volgens die voorafgaande bepaling van hierdie subparagraaf 'n toeslag gevoeg word gelyk aan 20 persent van bedoelde bedrag;

- (e) op elke rand van die belasbare inkomste van 'n maatskappy wie se enigste of vernaamste besigheid in die Republiek die myn van goud is of was en waarvan die vasstelling van die belasbare inkomste vir die tydperk van aanslag nie op 'n vasgestelde verlies uitloop nie, wat volgens vasstelling van die 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 met die getal rande wat genoemde totale belasbare inkomste bevat;
- (f) op elke rand van die belasbare inkomste wat deur 'n maatskappy uit die myn van diamante verkry word, 45 sent: Met dien verstande dat daar by die bedrag van belasting bereken volgens die voorafgaande bepaling van hierdie subparagraaf 'n toeslag gevoeg word gelyk aan 20 persent van bedoelde bedrag;
- (g) op elke rand van die belasbare inkomste wat deur 'n maatskappy verkry word uit mynwerksaamhede (behalwe die myn van goud of diamante), 50 sent.

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

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

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

Bylae 2

(Sewende Bylae by Wet 58 van 1962)

VOORDELE OF BATES VERKRY WEENS DIENS OF AMPSBEKLEDING

(Paragraaf (i) van die omskrywing van "bruto inkomste" in artikel 1 van hierdie Wet)

Woordbepaling

1. By die toepassing van hierdie Bylae, tensy uit die samehang anders blyk, beteken—

- (i) "amptelike rentekoers" 'n rentekoers van 12 persent per jaar; (viii)
- (ii) "belasbare voordeel" 'n belasbare voordeel in paragraaf 2 beoog, hetsy die vergunning van bedoelde voordeel vrijwillig of andersins is, maar uitgesonderd—
- (a) 'n voordeel die bedrag of waarde waarvan ingevolge die bepaling van artikel 10 van hierdie Wet van normale belasting vrygestel is; of
- (b) 'n voordeel deur 'n bystandsfonds voorsien ten opsigte van mediese, tandheelkundige en soortgelyke dienste, hospitaaldienste, verpleegdienste en medisyne; of
- (c) 'n enkelbedragvoordeel betaalbaar deur 'n bystandsfonds, pensioenfonds of voorsorgsfonds, synde 'n voordeel bedoel in die omskrywing van "bystandsfonds" in artikel 1 van hierdie Wet of in paragraaf (a) van die omskrywing van "pensioenfonds" in daardie artikel of in paragraaf (a) van die omskrywing van "voorsorgsfonds" in daardie artikel; (ix)
- (iii) "diens" 'n amp of diens; (v)

INCOME TAX ACT, 1984

Act No. 121, 1984

come so derived (with the said exclusion) does not exceed R40 000, the rate of tax shall not exceed a percentage determined in accordance with the formula:

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

and if such taxable income exceeds R40 000, the rate of tax shall not exceed a percentage determined in accordance with a formula arrived at by increasing the number 20 in the formula $y = 20 \left(1 - \frac{8}{x}\right)$ by one for each completed amount of R2 500 by which the said taxable income exceeds R40 000: Provided further that there shall be added to the amount of tax calculated in accordance with the preceding provisions of this subparagraph a surcharge equal to 20 per cent of such amount;

- (e) on each rand of the taxable income of any company, the sole or principal business of which in the Republic is or has been mining for gold and the determination of the taxable income of which for the period assessed does not result in an assessed loss, which the Commissioner determines to be attributable to the inclusion in its gross income of any amount referred to in paragraph (f) 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;
- (f) on each rand of the taxable income derived by any company from mining for diamonds, 45 cents: Provided that there shall be added to the amount of tax calculated in accordance with the preceding provisions of this subparagraph a surcharge equal to 20 per cent of such amount;
- (g) on each rand of the taxable income derived by any company from mining operations (other than mining for gold or diamonds), 50 cents.

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

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

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

Schedule 2

(Seventh Schedule to Act 58 of 1962)

BENEFITS OR ADVANTAGES DERIVED BY REASON OF EMPLOYMENT OR THE HOLDING OF ANY OFFICE

(Paragraph (i) of the definition of "gross income" in section 1 of this Act)

Definitions

1. For the purposes of this Schedule, unless the context otherwise indicates—

- (i) "associated institution", in relation to any single employer, means—
 - (a) where the employer is a company, any other company which is associated with the employer company by reason of the fact that both companies are managed or controlled directly or indirectly by substantially the same persons; or
 - (b) where the employer is not a company, any company which is managed or controlled directly or indirectly by the employer or by any partnership of which the employer is a member; or
 - (c) any fund established solely or mainly for providing benefits for employees or former employees of the employer or for employees or former employees of the employer and any company which is in terms of paragraph (a) or (b) an associated institution in relation to the employer, but excluding any fund established by a trade union or industrial council and any fund established for post-graduate research otherwise than out of moneys provided by the employer or by any associated institution in relation to the employer; (vii)
- (ii) "consideration", as respects any reference in this Schedule to any consideration given by an employee, does not include any consideration in the form of services rendered or to be rendered by the employee; (vi)
- (iii) "employee", in relation to any employer, means a person who is an employee in relation to such employer for the purposes of the Fourth Schedule, excluding any person who by reason of superannuation, ill-health or other infirmity has retired from the employ of such employer, but including, in relation to any company, any director of such company and any person who was previously employed by, or was a director of, such company if such person is or was the sole shareholder or one of the controlling shareholders in such company and, for the purposes of paragraphs 2 (h) and 13, including any person who has retired as aforesaid and who, after his retirement is released by his employer from an obligation which arose before the employee's retirement to reimburse the employer for an amount paid by the employer on behalf of the employee or to pay any amount which became owing by the employee to the employer before the employee's retirement; (ix)

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

- (iv) "lening" ook enige vorm van krediet en 'n lening wat regstreeks ter vervanging van 'n ander lening aangewend word; (vi)
- (v) "maand" enigeeen van die twaalf dele waarin 'n kalenderjaar ingedeel is; (vii)
- (vi) "vergoeding", met betrekking tot 'n verwysiging in hierdie Bylae na 'n vergoeding deur 'n werknemer gegee, nie ook enige vergoeding in die vorm van dienste wat deur die werknemer gelewer is of wat deur hom gelewer moet word nie; (ii)
- (vii) "verwante inrigting", met betrekking tot 'n enkele werkgewer—
 - (a) waar die werkgewer 'n maatskappy is, 'n ander maatskappy wat met die werkgewermaatskappy verbonde is weens die feit dat albei maatskappye in wese regstreeks of onregstreeks deur dieselfde persone bestuur of beheer word; of
 - (b) waar die werkgewer nie 'n maatskappy is nie, 'n maatskappy wat regstreeks deur die werkgewer, of deur 'n vennootskap waarvan die werkgewer 'n lid is, bestuur of beheer word; of
 - (c) 'n fonds wat geheel of hoofsaaklik ingestel is om voordele te voorsien aan werknemers of voormalige werknemers van die werkgewer of aan werknemers of voormalige werknemers van die werkgewer en 'n maatskappy wat ingevolge paragraaf (a) of (b) 'n verwante inrigting met betrekking tot die werkgewer is, maar uitgesonderd 'n fonds deur 'n vakbond of nywerheidsraad ingestel en 'n fonds vir na-graadse navorsing wat ingestel is anders as uit gelde wat deur die werkgewer of 'n verwante inrigting met betrekking tot die werkgewer voorsien is; (i)
- (viii) "werkgewer" iemand wat 'n werkgewer is soos in paragraaf 1 van die Vierde Bylae omskryf en ook—
 - (a) 'n maatskappy; en
 - (b) by die toepassing van paragraaf 2 en die vasstelling van die kontantekwivalent van die waarde van 'n belasbare voordeel toegestaan aan iemand wat besoldiging soos in genoemde paragraaf omskryf, verkry uit diens in die Staatsdiens of 'n administrasie of onderneming van die Staat of wat 'n amp onder die Republiek beklee, die Staat; (iv)
- (ix) "werknemer", met betrekking tot 'n werkgewer, iemand wat by die toepassing van die Vierde Bylae 'n werknemer met betrekking tot daardie werkgewer is, uitgesonderd iemand wat weens ouderdom, swak gesondheid of ander gebrek uit die diens van bedoelde werkgewer afgetree het, maar ook, met betrekking tot 'n maatskappy, 'n direkteur van bedoelde maatskappy en iemand wat voorheen in die diens van, of 'n direkteur van, bedoelde maatskappy was, indien so iemand die enigste aandeelhouer of een van die beherende aandeelhouers in bedoelde maatskappy is of was en, by die toepassing van paragrawe 2 (h) en 13, ook iemand wat soos vermeld afgetree het en wat, na sy aftrede, deur sy werkgewer onthef word van 'n verpligting wat voor die werknemer se aftrede ontstaan het om die werkgewer te vergoed vir 'n bedrag wat die werkgewer ten behoeve van die werknemer betaal het of om 'n bedrag te betaal wat voor die werknemer se aftrede deur die werknemer aan die werkgewer verskuldig geword het. (iii)

Belasbare voordele

2. By die toepassing van hierdie Bylae en van paragraaf (i) van die omskrywing van "bruto inkomste" in artikel 1 van hierdie Wet, word 'n belasbare voordeel geag deur 'n werkgewer aan sy werknemer verleen te gewees het ten opsigte van die werknemer se diens by die werkgewer, indien by wyse van 'n voordeel of bate van of uit hoofde van bedoelde diens of by wyse van 'n beloning vir dienste deur die werknemer aan die werkgewer gelewer of wat gelewer moet word—

- (a) enige bate bestaande uit enige goed, kommoditeit, handelseffekte of eiendom van watter aard ook al (behalwe geld) deur die werknemer vanaf die werkgewer of 'n verwante inrigting met betrekking tot die werkgewer of vanaf iemand in ooreenkoms met die werkgewer verkry is, of vir geen vergoeding of gratis of vir 'n vergoeding deur die werknemer gegee wat minder is as die waarde van bedoelde bate soos ingevolge paragraaf 5 (2) vasgestel: Met dien verstande dat die bepalinge van hierdie subparagraaf nie van toepassing is nie ten opsigte van enige maaltyd, verversing, bewysstuk, losies, brandstof, krag of water waarvan die werknemer voorsien is soos in subparagraaf (c) of (d) beoog, of ten opsigte van handelseffekte verkry deur die uitoefening deur die werknemer, soos in artikel 8A van hierdie Wet beoog, van 'n reg om handelseffekte te verkry; of
- (b) daar aan die werknemer die reg verleen is om 'n bate (behalwe enige huisvesting of huishoudelike goed saam met bedoelde huisvesting voorsien) vir sy private of huishoudelike doeleindes te gebruik of gratis of vir 'n vergoeding deur die werknemer betaalbaar wat minder is as die waarde van bedoelde gebruik soos vasgestel ingevolge paragraaf 6 (2) in die geval van 'n bate behalwe 'n motorvoertuig of ingevolge paragraaf 7 (4) of (7) in die geval van 'n motorvoertuig; of
- (c) die werknemer van enige maaltyd of verversing of bewysstuk wat hom geregtig maak op enige maaltyd of verversing, voorsien is (behalwe enige losies of maaltye in item (d) bedoel), of gratis of vir 'n vergoeding wat minder is as die waarde van bedoelde maaltyd, verversing of bewysstuk, na gelang van die geval, soos vasgestel ingevolge paragraaf 8 (2); of
- (d) die werknemer van huisvesting (hetsy gemeubileerd of ongemeubileerd, en met of sonder losies, maaltye, brandstof, krag of water) voorsien is, of gratis of vir 'n huurvergoeding deur die werknemer betaalbaar wat minder is as die huurwaarde van bedoelde huisvesting soos ingevolge die toepasslike bepalinge van paragraaf 9 (3), (4) of (5) vasgestel; of
- (e) enige diens (behalwe 'n diens waarop die bepalinge van paragraaf 9 (4) (a) van toepassing is) ten koste van die werkgewer aan die werknemer (hetsy deur die werkgewer of deur enige ander persoon) gelewer is, bedoelde diens deur die werknemer vir sy private of huishoudelike doeleindes gebruik is en geen vergoeding deur die werknemer aan die werkgewer ten opsigte van bedoelde diens gegee is nie of, indien enige sodanige vergoeding gegee is, die bedrag daarvan minder is as die be-

INCOME TAX ACT, 1984

Act No. 121, 1984

- (iv) "employer" means any person who is an employer as defined in paragraph 1 of the Fourth Schedule and includes—
- (a) any company; and
 - (b) for the purpose of paragraph 2 and the determination of the cash equivalent of the value of any taxable benefit granted to any person who derives remuneration as defined in the said paragraph from employment in the public service or any administration or undertaking of the State or who holds office under the Republic, the State; (viii)
- (v) "employment" means any office or employment; (iii)
- (vi) "loan" includes any form of credit and any loan applied directly towards the replacement of any other loan; (iv)
- (vii) "month" means any of the twelve portions into which any calendar year is divided; (v)
- (viii) "official rate of interest" means a rate of interest of 12 per cent per annum; (i)
- (ix) "taxable benefit" means a taxable benefit contemplated in paragraph 2, whether the grant of such benefit is voluntary or otherwise, but excluding—
- (a) any benefit the amount or value of which is exempt from normal tax under the provisions of section 10 of this Act; or
 - (b) any benefit provided by any benefit fund in respect of medical, dental and similar services, hospital services, nursing services and medicines; or
 - (c) any lump sum benefit payable by a benefit fund, pension fund or provident fund, being a benefit referred to in the definition of "benefit fund" in section 1 of this Act or in paragraph (a) of the definition of "pension fund" in that section or in paragraph (a) of the definition of "provident fund" in that section. (ii)

Taxable benefits

2. For the purposes of this Schedule and of paragraph (i) of the definition of "gross income" in section 1 of this Act, a taxable benefit shall be deemed to have been granted by an employer to his employee in respect of the employee's employment with the employer, if as a benefit or advantage of or by virtue of such employment or as a reward for services rendered or to be rendered by the employee to the employer—

- (a) any asset consisting of any goods, commodity, marketable security or property of any nature (other than money) has been acquired by the employee from the employer or any associated institution in relation to the employer or from any person by arrangement with the employer, either for no consideration or for a consideration given by the employee which is less than the value of such asset, as determined under paragraph 5 (2): Provided that the provisions of this subparagraph shall not apply in respect of any meal, refreshment, voucher, board, fuel, power or water with which the employee has been provided as contemplated in subparagraph (c) or (d) or in respect of any marketable security acquired by the exercise by the employee, as contemplated in section 8A of this Act, of any right to acquire any marketable security; or
- (b) the employee has been granted the right to use any asset (other than any residential accommodation or household goods supplied with such accommodation) for his private or domestic purposes either free of charge or for a consideration payable by the employee which is less than the value of such use, as determined under paragraph 6 (2) in the case of an asset other than a motor vehicle or under paragraph 7 (4) or (7) in the case of a motor vehicle; or
- (c) the employee has been provided with any meal or refreshment or voucher entitling him to any meal or refreshment (other than any board or meals referred to in item (d)), either free of charge or for a consideration less than the value of such meal, refreshment or voucher, as the case may be, as determined under paragraph 8 (2); or
- (d) the employee has been provided with residential accommodation (whether furnished or unfurnished and with or without board, meals, fuel, power or water) either free of charge or for a rental consideration payable by the employee which is less than the rental value of such accommodation as determined under the applicable provisions of paragraph 9 (3), (4) or (5); or
- (e) any service (other than a service to which the provisions of paragraph 9 (4) (a) apply) has at the expense of the employer been rendered to the employee (whether by the employer or by some other person), such service has been utilized by the employee for his private or domestic purposes and no consideration has been given by the employee to the employer in respect of such service or, if any such consideration has been given, the amount thereof is less than the amount of the lowest fare re-

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

drag van die laagste reigeld bedoel in item (a) van subparagraaf (1) van paragraaf 10, of die koste bedoel in item (b) van bedoelde subparagraaf, na gelang van die geval; of

- (f) 'n lening (behalwe 'n lening wat ingevolge die bepalings van artikel 8B van hierdie Wet as 'n dividend behandel is) aan die werknemer verleen is, hetsy deur die werkgewer of deur 'n ander persoon volgens 'n ooreenkoms met die werkgewer of 'n verwante inrigting met betrekking tot die werkgewer, en of geen rente deur die werknemer op daardie lening betaalbaar is nie of rente daarop teen 'n koers laer as die amptelike rentekoers deur hom betaalbaar is; of
- (g) die werkgewer ingevolge 'n huiseienaarskap- of behuisingskema waarin die werknemer 'n deelhebbende is, 'n subsidie betaal het ten opsigte van die rentebedrag of kapitaal terugbetalings wat deur die werknemer betaalbaar is; of
- (h) die werkgewer 'n bedrag betaal het wat deur die werknemer aan 'n derde party verskuldig is sonder om te vereis dat die werknemer vir die betaalde bedrag moet vergoed, of die werkgewer die werknemer van 'n verpligting om 'n bedrag verskuldig deur die werknemer aan die werkgewer te betaal, onthef het: Met dien verstande dat waar 'n skuld deur die werknemer aan die werkgewer verskuldig, by verjaring uitgewis is, die werkgewer geag word die werknemer van sy verpligting om die bedrag van bedoelde skuld te betaal, te onthef het indien die werkgewer die bedrag verskuldig kon verhaal het of die loop van die verjaring kon laat stuit het, tensy daar tot oortuiging van die Kommissaris bewys word dat die werkgewer se versuim om die verskuldigde bedrag te verhaal of om die loop van die verjaring te laat stuit nie te wyte was aan 'n bedoeling van die werkgewer om 'n voordeel aan die werknemer te verleen nie.

Vasstelling van kontantekwivalent van waarde van belasbare voordeel

3. (1) Die kontantekwivalent van die waarde van 'n belasbare voordeel word, by die toepassing van paragraaf (i) van die omskrywing van "bruto inkomste" in artikel 1 van hierdie Wet, deur die werkgewer deur wie die belasbare voordeel verleen is, ooreenkomstig die bepalings van hierdie Bylae vasgestel.

(2) Die Kommissaris kan, indien bedoelde vasstelling vir hom onjuis blyk te wees, bedoelde kontantekwivalent hervasstel by die aanslaan van die aanspreeklikheid vir normale belasting van die werknemer aan wie bedoelde voordeel verleen is.

(3) Indien die betrokke werknemer ontevrede is met 'n vasstelling of voorgenome vasstelling deur sy werkgewer van die kontantekwivalent van die waarde van 'n belasbare voordeel wat vir werknemersbelastingdoeleindes in die werknemer se besoldiging ingesluit is, kan die werknemer of die werkgewer die saak na die Kommissaris verwys en kan die Kommissaris, indien dit vir hom blyk dat die vasstelling of voorgenome vasstelling aangepas behoort te word, 'n opdrag aan die werkgewer gee aangaande die wyse waarop bedoelde vasstelling gemaak behoort te word en is die werkgewer verplig om volgens bedoelde opdrag op te tree: Met dien verstande dat die bepalings van hierdie subparagraaf nie uitgelê word asof dit die Kommissaris belet om ingevolge die bepalings van subparagraaf (2) 'n hervasstelling van bedoelde kontantekwivalent te maak nie.

Belasbare voordele deur verwante inrigtings verleen

4. Waar 'n verwante inrigting met betrekking tot 'n werkgewer aan 'n werknemer van daardie werkgewer, vanweë die feit dat die werknemer in die diens van die werkgewer is, of as 'n voordeel of bate van bedoelde diens, of as 'n beloning vir dienste deur die werknemer aan die werkgewer gelewer of wat gelewer moet word, 'n voordeel of bate gegee het wat, indien bedoelde voordeel of bate regstreeks deur die werkgewer aan die werknemer onder die omstandighede beoog in paragraaf 2 gegee was, 'n belasbare voordeel sou uitmaak het, word bedoelde voordeel of bate by die toepassing van hierdie Bylae geag 'n belasbare voordeel te wees wat deur die werkgewer aan die werknemer verleen is en word die kontantekwivalent van die waarde van bedoelde belasbare voordeel dienooreenkomstig vasgestel.

Verkryging van 'n bate teen minder as werklike waarde

5. (1) Waar 'n bate deur 'n werknemer verkry is soos in paragraaf 2 (a) beoog, is die kontantekwivalent van die waarde van die belasbare voordeel soveel van die waarde van bedoelde bate (soos ingevolge subparagraaf (2) van hierdie paragraaf vasgestel) as wat die waarde van enige vergoeding wat vir bedoelde bate deur die werknemer gegee is, te bowe gaan.

(2) Die waarde wat op bedoelde bate geplaas moet word, is die markwaarde daarvan op die tydstip waarop die bate deur die werknemer verkry word: Met dien verstande dat waar die betrokke bate roerende eiendom is en deur die werkgewer verkry is ten einde dit aan die werknemer af te staan, of die betrokke bate deur die werkgewer as handelsvoorraad gehou is, die waarde wat daarop geplaas moet word die koste daarvan vir die werkgewer is of, waar bedoelde bate as handelsvoorraad gehou was en die markwaarde daarvan minder as bedoelde koste was, bedoelde markwaarde.

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

- (a) 'n bate deur 'n werkgewer aan 'n werknemer geskenk as 'n toekening vir dapperheid; of
- (b) 'n bate deur 'n werkgewer aan 'n werknemer gegee omrede van veilige werk in 'n gevaarlike beroep of vir langdurige diens mits die koste van bedoelde bate nie R2 000 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.

Reg van gebruik van 'n bate (behalwe huisvesting of 'n motorvoertuig)

6. (1) Waar daar aan 'n werknemer die reg van gebruik verleen is om 'n bate (behalwe huisvesting of 'n motorvoertuig) te gebruik soos in paragraaf 2 (b) beoog, is die kontantekwivalent van die waarde van die belasbare voordeel soveel van die waarde van die private of huishoudelike gebruik van bedoelde bate (soos vasgestel ingevolge subparagraaf (2) van hierdie paragraaf vir die tydperk van gebruik) as wat enige vergoeding deur die werknemer vir die gebruik van daardie bate gedurende bedoelde tydperk gegee of enige bedrag deur die werknemer aan die onderhoud of herstel van bedoelde bate bestee, te bowe gaan.

INCOME TAX ACT, 1984

Act No. 121, 1984

- ferred to in item (a) of subparagraph (1) of paragraph 10, or the cost referred to in item (b) of the said subparagraph, as the case may be; or
- (f) a loan (other than a loan treated as a dividend under the provisions of section 8B of this Act) has been granted to the employee, whether by the employer or by any other person by arrangement with the employer or any associated institution in relation to the employer, and either no interest is payable by the employee on such loan or interest is payable by him thereon at a rate lower than the official rate of interest; or
- (g) the employer has, under any home ownership or housing scheme in which the employee is a participant, paid any subsidy in respect of the amount of interest or capital repayments payable by such employee; or
- (h) the employer has paid any amount owing by the employee to any third person, whether directly or indirectly, without requiring the employee to reimburse the employer for the amount paid or the employer has released the employee from an obligation to pay any amount owing by the employee to the employer: Provided that where any debt owing by the employee to the employer has been extinguished by prescription the employer shall be deemed to have released the employee from his obligation to pay the amount of such debt if the employer could have recovered the amount owing or caused the running of the prescription to be interrupted, unless it is shown to the satisfaction of the Commissioner that the employer's failure to recover the amount owing or to cause the running of the prescription to be interrupted was not due to any intention of the employer to confer a benefit on the employee.

Determination of cash equivalent of value of taxable benefit

3. (1) The cash equivalent of the value of a taxable benefit shall, for the purposes of paragraph (i) of the definition of "gross income" in section 1 of this Act, be determined in accordance with the provisions of this Schedule by the employer by whom the taxable benefit has been granted.

(2) The Commissioner may, if such determination appears to him to be incorrect, re-determine such cash equivalent upon the assessment of the liability for normal tax of the employee to whom such taxable benefit has been granted.

(3) If the employee concerned is dissatisfied with any determination or proposed determination by his employer of the cash equivalent of the value of any taxable benefit included in the remuneration of the employee for employees tax purposes, the employee or the employer may refer the matter to the Commissioner and the Commissioner may, if it appears to him that the determination or proposed determination should be adjusted, issue a directive to the employer as to the manner in which such determination should be made and the employer shall be obliged to act upon such directive: Provided that nothing in this subparagraph contained shall be construed as preventing the Commissioner from making a re-determination of such cash equivalent under the provisions of subparagraph (2).

Taxable benefits granted by associated institutions

4. Where any associated institution in relation to any employer has given any employee of that employer, by reason of the fact that the employee is in the employment of the employer, or as a benefit or advantage of such employment or as a reward for services rendered or to be rendered by the employee to the employer any benefit or advantage which, if such benefit or advantage had been given to the employee directly by the employer in the circumstances contemplated in paragraph 2, would have constituted a taxable benefit, such benefit or advantage shall for the purposes of this Schedule be deemed to be a taxable benefit granted by the employer to the employee and the cash equivalent of the value of such taxable benefit shall be determined accordingly.

Acquisition of an asset at less than actual value

5. (1) Where an asset has been acquired by an employee as contemplated in paragraph 2 (a), the cash equivalent of the value of the taxable benefit shall be so much of the value of such asset (as determined under subparagraph (2) of this paragraph) as exceeds the value of any consideration given by the employee for such asset.

(2) The value to be placed on such asset shall be the market value thereof at the time the asset is acquired by the employee: Provided that where the asset in question is movable property and was acquired by the employer in order to dispose of it to the employee or the asset in question was held by the employer as trading stock, the value to be placed thereon shall be the cost thereof to the employer or, where such asset was held as trading stock and the market value thereof was less than such cost, such market value.

(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; or
- (b) any asset given by an employer to an employee by reason of safe working in a dangerous occupation or for long service provided the cost of such asset to the employer 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.

Right of use of any asset (other than residential accommodation or any motor vehicle)

6. (1) Where an employee has been granted the right to use any asset (other than residential accommodation or any motor vehicle) as contemplated in paragraph 2 (b), the cash equivalent of the value of the taxable benefit shall be so much of the value of the private or domestic use of such asset (as determined under subparagraph (2) of this paragraph for the period of use) as exceeds any consideration given by the employee for the use of such asset during such period or any amount expended by the employee on the maintenance or repair of such asset.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

(2) Die waarde wat op die private of huishoudelike gebruik van bedoelde bate geplaas moet word, is—

- (a) waar die bate deur die werkgewer as huurder ingevolge 'n huurkontrak of huurooreenkoms gehou word, die bedrag van die huurgeld deur die werkgewer betaalbaar ten opsigte van die tydperk waartydens die werknemer die gebruik van die bate het; of
- (b) waar die bate deur die werkgewer besit is, 'n bedrag bereken, vir die tydperk waartydens die werknemer die gebruik van die bate het, teen die koers van 15 persent per jaar op die mindere van die koste vir die werkgewer van bedoelde bate of die markwaarde daarvan op die datum van aanvang van die tydperk van gebruik.

(3) Vir werknemersbelastingdoeleindes word 'n gepaste deel van bedoelde kontantekwivalent toegedeel vir elke tydperk gedurende die jaar van aanslag ten opsigte waarvan enige kontantbesoldiging deur die werkgewer betaal word of betaalbaar word.

(4) Geen waarde word ingevolge hierdie paragraaf op die private of huishoudelike gebruik deur 'n werknemer van 'n bate geplaas nie indien—

- (a) bedoelde gebruik bykomstig is tot die gebruik van die bate vir die doeleindes van die werkgewer se besigheid of die bate deur die werkgewer verskaf word by wyse van 'n gerief wat deur die werknemer by sy werkplek geniet kan word of vir ontspanningsdoeleindes by daardie plek of by 'n ontspanningsplek deur die werkgewer verskaf vir die gebruik van sy werknemers oor die algemeen; of
- (b) die bate uit enige toerusting of masjien bestaan wat die betrokke werkgewer sy werknemers oor die algemeen toelaat om van tyd tot tyd vir kort tydperke te gebruik en die Kommissaris oortuig is dat die waarde van die private of huishoudelike gebruik van die bate, soos ingevolge subparagraaf (2) vasgestel, gering is; of
- (c) die bate uit boeke, literatuur, opnames of kunswerke bestaan.

Reg van gebruik van motorvoertuig

7. (1) By die toepassing van hierdie paragraaf, beteken "vasgestelde waarde", met betrekking tot 'n motorvoertuig—

- (a) waar bedoelde motorvoertuig (synde nie 'n motorvoertuig ten opsigte waarvan paragraaf (b) (ii) van hierdie omskrywing van toepassing is nie) deur die werkgewer verkry is ingevolge 'n *bona fide*-verkoop- of ruiloooreenkoms gesluit tussen partye wat die uiterste voorwaardes beding, die oorspronklike koste daarvan vir hom (behalwe enige finansieringskoste, rente of verkoopbelasting deur hom betaalbaar ten opsigte van sy verkryging daarvan); of
- (b) waar bedoelde motorvoertuig—
 - (i) ingevolge 'n huurooreenkoms deur die werkgewer gehou is; of
 - (ii) ingevolge 'n huurooreenkoms deur die werkgewer gehou was en eiendomsreg daarvan na afloop van die huurooreenkoms deur hom verkry is,

die kleinhandel-markwaarde daarvan op die tydstip toe die werkgewer vir die eerste keer die reg van gebruik van die motorvoertuig verkry het of, waar op bedoelde tydstip bedoelde huurooreenkoms 'n bruikhuur vir die doeleindes van die Verkoopbelastingwet, 1978 (Wet No. 103 van 1978) was, die kontantwaarde daarvan soos vasgestel ingevolge Bylae 4 by daardie Wet; of

- (c) in enige ander geval, die markwaarde van bedoelde motorvoertuig op die tydstip toe die werkgewer vir die eerste maal die voertuig of die reg van gebruik daarvan verkry het:

Met dien verstande dat waar die reg aan 'n werknemer verleen is om bedoelde 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 van die bedrag wat ingevolge die voorafgaande bepalings van hierdie subparagraaf bepaal is, 'n waardeverminderingsstoelae 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.

(2) Waar die reg aan 'n werknemer verleen is om 'n motorvoertuig te gebruik soos in paragraaf 2 (b) beoog, is die kontantekwivalent van die waarde van die belasbare voordeel soveel van die waarde van die private gebruik van bedoelde voertuig (soos vasgestel ingevolge hierdie paragraaf ten opsigte van die tydperk van gebruik) as wat enige vergoeding deur die werknemer aan die werkgewer gegee vir die gebruik van daardie voertuig gedurende bedoelde tydperk te bowe gaan.

- (3) (a) Waar 'n werkgewer se regte en verpligtinge ingevolge 'n huurooreenkoms ten opsigte van 'n motorvoertuig aan sy werknemer oorgedra word, word die werkgewer by die toepassing van hierdie Bylae geag aan die werknemer die reg te verleen het om bedoelde voertuig vir die res van die huurydperk te gebruik.

(b) In so 'n geval—

- (i) word enige huurgelde wat ingevolge die huurooreenkoms deur die werknemer betaalbaar word, geag 'n vergoeding te wees wat vir bedoelde reg deur hom betaalbaar is; en

- (ii) word die vasgestelde waarde van die voertuig geag 'n bedrag te wees wat ingevolge die bepalings van subparagraaf (1) (b) vasgestel is.

(4) Behoudens die bepalings van subparagrafe (9) en (10), moet die waarde wat op die private gebruik van bedoelde voertuig geplaas staan te word vir elke maand of gedeelte van 'n maand waartydens die werk-

INCOME TAX ACT, 1984

Act No. 121, 1984

(2) The value to be placed on the private or domestic use of such asset shall be—

- (a) where the asset is held by the employer as the lessee under a lease or hiring agreement, the amount of the rental payable by the employer in respect of the period during which the employee has the use of the asset; or
- (b) where the asset is owned by the employer, an amount calculated for the period during which the employee has the use of the asset at the rate of 15 per cent per annum on the lesser of the cost of such asset to the employer or the market value thereof at the date of commencement of the period of use.

(3) For employees tax purposes an appropriate portion of the said cash equivalent shall be apportioned to each period during the year of assessment in respect of which any cash remuneration is paid or becomes payable by the employer to the employee.

(4) No value shall be placed under this paragraph on the private or domestic use of an asset by an employee, if—

- (a) such use is incidental to the use of the asset for the purposes of the employer's business or the asset is provided by the employer as an amenity to be enjoyed by the employee at his place of work or for recreational purposes at that place or a place of recreation provided by the employer for the use of his employees in general; or
- (b) the asset consists of any equipment or machine which the employer concerned allows his employees in general to use from time to time for short periods and the Commissioner is satisfied that the value of the private or domestic use of the asset, as determined under subparagraph (2), is negligible; or
- (c) the asset consists of books, literature, recordings or works of art.

Right of use of motor vehicle

7. (1) For the purposes of this paragraph, "determined value," in relation to a motor vehicle, means—

- (a) where such motor vehicle (not being a vehicle in respect of which paragraph (b) (ii) of this definition applies) was acquired by the employer under a *bona fide* agreement of sale or exchange concluded by parties acting at arm's length, the original cost thereof to him (excluding any finance charge, interest or sales tax payable by him in respect of his acquisition thereof); or
- (b) where such motor vehicle—
 - (i) is held by the employer under a lease; or
 - (ii) was held by the employer under a lease and the ownership thereof was acquired by him on the termination of the lease,

the retail market value thereof at the time the employer first obtained the right of use of the vehicle or, where at such time such lease was a financial lease for the purposes of the Sales Tax Act, 1978 (Act No. 103 of 1978), the cash value thereof as determined under Schedule 4 to that Act; or

- (c) in any other case, the market value of such motor vehicle at the time when the employer first obtained the vehicle or the right of use thereof:

Provided that where an employee has been granted the right of use of such 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 be deducted from the amount determined under the foregoing provisions of this subparagraph 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.

(2) Where an employee has been granted the right to use any motor vehicle as contemplated in paragraph 2 (b), the cash equivalent of the value of the taxable benefit shall be so much of the value of the private use of such vehicle (as determined under this paragraph in respect of the period of use) as exceeds any consideration given by the employee to the employer for the use of such vehicle during such period.

(3) (a) Where an employer's rights and obligations under a lease in respect of a motor vehicle are transferred to his employee the employer shall for the purposes of this Schedule be deemed to have granted the employee the right to use such vehicle for the remainder of the period of the lease.

(b) In such case—

- (i) any rentals becoming payable by the employee under the lease shall be deemed to be a consideration payable by him for the said right; and
- (ii) the determined value of the vehicle shall be deemed to be an amount determined in accordance with the provisions of subparagraph (1) (b);

(4) Subject to the provisions of subparagraphs (9) and (10), the value to be placed on the private use of such vehicle shall be determined for each month or part of a month during which the employee was entitled

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

nemer geregtig was om die voertuig vir private doeleindes (met inbegrip van reise tussen die werknemer se woonplek en werkplek) te gebruik, vasgestel word en genoemde waarde is—

(a) met betrekking tot elke bedoelde maand, 'n bedrag ooreenkomstig die volgende skaal vasgestel:

Waar die vasgestelde waarde van bedoelde voertuig—	Waarde van private gebruik vir elke maand of gedeelte van 'n maand	
	Kolom A R	Kolom B R
R6 000 nie te bowe gaan nie	101	72
R6 000 te bowe gaan, maar nie R7 000 nie	111	82
R7 000 „ „ R8 000 „	120	90
R8 000 „ „ R9 000 „	130	100
R9 000 „ „ R10 000 „	139	108
R10 000 „ „ R11 000 „	140	109
R11 000 „ „ R12 000 „	156	124
R12 000 „ „ R13 000 „	166	134
R13 000 „ „ R14 000 „	174	141
R14 000 „ „ R15 000 „	182	148
R15 000 „ „ R16 000 „	192	158
R16 000 „ „ R17 000 „	202	166
R17 000 „ „ R18 000 „	212	176
R18 000 „ „ R19 000 „	219	183
R19 000 „ „ R20 000 „	228	191
R20 000 „ „ R21 000 „	243	206
R21 000 „ „ R22 000 „	248	210
R22 000 „ „ R23 000 „	251	212
R23 000 „ „ R24 000 „	263	224
R24 000 „ „ R25 000 „	275	235
R25 000 „ „ R26 000 „	282	241
R26 000 „ „ R27 000 „	292	252
R27 000 „ „ R28 000 „	302	260
R28 000 „ „ R29 000 „	310	268
R29 000 „ „ R30 000 „	316	273
R30 000 „ „ R35 000 „	350	307
R35 000 „ „ R40 000 „	389	345

in welke skaal—

- (i) kolom A van toepassing is in alle gevalle waar kolom B nie van toepassing is nie; en
- (ii) kolom B van toepassing is waar die werknemer die koste dra van alle brandstof gebruik vir die doeleindes van die private gebruik van die voertuig (met inbegrip van reise tussen die werknemer se woonplek en werkplek):

Met dien verstande dat—

- (i) waar die vasgestelde waarde van bedoelde voertuig die som van R40 000 te bowe gaan, die waarde van private gebruik vir elke bedoelde maand die som van R389 is waar kolom A van toepassing is, of R345 waar kolom B van toepassing is, plus in albei gevalle 'n bedrag van R8 vir elke volle bedrag van R1 000 waarby bedoelde vasgestelde waarde R40 000 te bowe gaan;
- (ii) indien die werknemer die volle koste van die instandhouding van die voertuig dra (met inbegrip van die koste van herstelwerk, diens, smering en bande), die waarde van private gebruik vir elke bedoelde maand, soos ingevolge die voorafgaande bepalings van hierdie subparagraaf vasgestel, verminder word met 'n bedrag van R28, en

INCOME TAX ACT, 1984

Act No. 121, 1984

to use the vehicle for private purposes (including travelling between the employee's place of residence and his place of employment) and the said value shall—

(a) as respects each such month, be an amount determined in accordance with the following scale:

Where the determined value of such vehicle—	Value of private use for each month or part of a month	
	Column A R	Column B R
does not exceed R6 000	101	72
exceeds R6 000 but does not exceed R7 000	111	82
„ R7 000 „ „ R8 000	120	90
„ R8 000 „ „ R9 000	130	100
„ R9 000 „ „ R10 000	139	108
„ R10 000 „ „ R11 000	140	109
„ R11 000 „ „ R12 000	156	124
„ R12 000 „ „ R13 000	166	134
„ R13 000 „ „ R14 000	174	141
„ R14 000 „ „ R15 000	182	148
„ R15 000 „ „ R16 000	192	158
„ R16 000 „ „ R17 000	202	166
„ R17 000 „ „ R18 000	212	176
„ R18 000 „ „ R19 000	219	183
„ R19 000 „ „ R20 000	228	191
„ R20 000 „ „ R21 000	243	206
„ R21 000 „ „ R22 000	248	210
„ R22 000 „ „ R23 000	251	212
„ R23 000 „ „ R24 000	263	224
„ R24 000 „ „ R25 000	275	235
„ R25 000 „ „ R26 000	282	241
„ R26 000 „ „ R27 000	292	252
„ R27 000 „ „ R28 000	302	260
„ R28 000 „ „ R29 000	310	268
„ R29 000 „ „ R30 000	316	273
„ R30 000 „ „ R35 000	350	307
„ R35 000 „ „ R40 000	389	345

in which scale—

- (i) column A applies in all cases where column B does not apply; and
- (ii) column B applies where the employee bears the cost of all fuel used for the purposes of the private use of the vehicle (including travelling between the employee's place of residence and his place of employment):

Provided that—

- (i) where the determined value of such vehicle exceeds the sum of R40 000, the value of private use for each such month shall be the sum of R389 where column A is applicable, or R345 where column B is applicable, plus in either case an amount of R8 for each completed amount of R1 000 by which such determined value exceeds R40 000;
- (ii) if the employee bears the full cost of maintaining the vehicle (including the cost of repairs, servicing, lubrication and tyres), the value of private use for each such month as determined in accordance with the foregoing provisions of this subparagraph shall be reduced by an amount of R28; and

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

- (b) met betrekking tot enige bedoelde gedeelte van 'n maand, 'n bedrag wat in dieselfde verhouding tot die toepaslike bedrag vasgestel ooreenkomstig item (a) vir 'n maand staan as die verhouding waarin die aantal dae in bedoelde gedeelte van 'n maand tot die aantal dae in die maand waarin bedoelde gedeelte val, staan.

(5) Behoudens die bepalinge van subparagraaf (7), word geen vermindering in die waarde ingevolge subparagraaf (4) vasgestel, gemaak nie as gevolg van die feit dat die betrokke voertuig gedurende enige tydperk om enige rede tydelik nie vir private doeleindes deur die werknemer gebruik is nie.

(6) Waar meer as een motorvoertuig gelyktydig deur 'n werkgewer aan 'n bepaalde werknemer beskikbaar gestel word en die Kommissaris oortuig is dat elke sodanige voertuig deur die werknemer gedurende die jaar van aanslag primêr vir besigheidsdoeleindes gebruik is, word die waarde wat op die private gebruik van alle genoemde voertuie geplaas staan te word, geag die waarde te wees van die private gebruik van die voertuig met die hoogste vasgestelde waarde of sodanige ander voertuig as wat die Kommissaris mag gelas: Met dien verstande dat die voorafgaande bepalinge van hierdie subparagraaf nie van toepassing is nie waar die bepalinge van subparagraaf (7) of (8) toegepas word.

(7) Waar daar tot oortuiging van die Kommissaris bewys word dat akkurate aantekeninge gehou word van die afstande wat met bedoelde voertuig vir private doeleindes gereis is (met inbegrip van reise tussen die werknemer se woonplek en werkplek), kan die Kommissaris by die aanslaan van die werknemer se aanspreeklikheid vir normale belasting die waarde wat op die private of huishoudelike gebruik van die voertuig geplaas moet word, verminder tot sodanige bedrag as wat in die omstandighede van die geval vir die Kommissaris billik en redelik blyk te wees indien die totale afstand aldus gedurende die jaar van aanslag gereis minder as 10 000 kilometers was of, waar die tydperk in daardie jaar waarin die voertuig vir die werknemer se gebruik beskikbaar was, minder as 12 maande was, 'n afstand wat in dieselfde verhouding tot 10 000 kilometer staan as die verhouding waarin genoemde tydperk tot 12 maande staan.

(8) Indien—

- (a) die kontantekwivalent van die waarde van 'n belasbare voordeel ten opsigte van 'n motorvoertuig in die inkomste van 'n werknemer ingereken staan te word;
- (b) daar van die werknemer deur die werkgewer vereis is om enige gedeelte te dra van die koste van die lisensie van die voertuig, die versekering daarvan, die brandstof daarin gebruik of die onderhoud daarvan;
- (c) geen vergoeding in die vorm van 'n toelae of terugbetaling deur die werkgewer aan die werknemer betaalbaar was ten opsigte van die onkoste wat deur die werknemer ten opsigte van genoemde koste gedra is nie; en
- (d) waar die koste van brandstof vir of onderhoud van die voertuig deur die werknemer gedra is, die waarde ingevolge subparagraaf (4) vasgestel 'n bedrag ten opsigte van die brandstof of onderhoud daarvan, na gelang van die geval, ingesluit het,

word genoemde kontantekwivalent, by die aanslaan van die werknemer se aanspreeklikheid vir normale belasting, verminder met die bedrag werklik gedurende die betrokke jaar van aanslag deur die werknemer ten opsigte van genoemde koste aangegaan en enige sodanige vermindering word, vir sover die bedrag daarvan 'n bedrag insluit wat andersins vir aftrekking van die werknemer se inkomste in aanmerking sou gekom het, geag in die plek te wees van bedoelde aftrekking ten opsigte van brandstof of onderhoud, na gelang van die geval.

(9) 'n Beslissing van die Kommissaris by die uitoefening van sy diskresie ingevolge subparagraaf (6) of (7) is aan beswaar en appèl onderhewig.

(10) By die toepassing van hierdie paragraaf word die private gebruik deur 'n werknemer van 'n motorvoertuig geag geen waarde te hê nie indien—

- (a) (i) die voertuig beskikbaar is vir, en in werklikheid gebruik word deur, ander werknemers van die werkgewer oor die algemeen;
- (ii) die private gebruik van die voertuig deur die betrokke werknemer seldsaam is of bloot bykomstig tot die besigheidsgebruik daarvan is; en
- (iii) die voertuig normaalweg nie by of naby die woning van die betrokke werknemer gehou word nie terwyl dit buite werksure nie in gebruik is nie; of
- (b) die werknemer se pligte van so 'n aard is dat hy gereeld verplig is om die voertuig te gebruik vir die uitoefening van bedoelde pligte buite normale werksure en hy nie toegelaat word om bedoelde voertuig te gebruik vir private doeleindes nie behalwe om tussen sy woonplek en werkplek te reis.

Maaltye, verversings en maaltyd- en verversingsbewysstukke

8. (1) Waar 'n werknemer voorsien is van enige maaltyd, verversing of bewysstuk soos in paragraaf 2 (c) beoog, is die kontantekwivalent van die waarde van die belasbare voordeel soveel van die waarde van bedoelde maaltyd, verversing of bewysstuk (soos ingevolge subparagraaf (2) van hierdie paragraaf vasgestel) as wat 'n vergoeding deur die werknemer ten opsigte van bedoelde maaltyd, verversing of bewysstuk gegee, te bowe gaan.

(2) Die waarde wat op bedoelde maaltyd, verversing of bewysstuk geplaas moet word is die koste vir die werkgewer van bedoelde maaltyd, verversing of bewysstuk.

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

- (a) 'n maaltyd of verversing deur 'n werkgewer aan sy werknemer verskaf in 'n kantien, kafeteria of eetkamer wat deur of ten behoeve van die werkgewer gedryf word en wat geheel of hoofsaaklik deur sy werknemers ondersteun word, of op die sakeperseel van die werkgewer;

INCOME TAX ACT, 1984

Act No. 121, 1984

- (b) as respects any such part of a month, be an amount which bears to the appropriate amount determined in accordance with item (a) for a month the same ratio as the number of days in such part of a month bears to the number of days in the month in which such part falls.

(5) Subject to the provisions of subparagraph (7), no reduction in the value determined under subparagraph (4) shall be made by reason of the fact that the vehicle in question was during any period for any reason temporarily not used by the employee for private purposes.

(6) Where more than one motor vehicle is made available by an employer to a particular employee at the same time and the Commissioner is satisfied that each such vehicle was used by the employee during the year of assessment primarily for business purposes, the value to be placed on the private use of all the said vehicles shall be deemed to be the value of the private use of the vehicle having the highest determined value or such other vehicle as the Commissioner may direct: Provided that the preceding provisions of this subparagraph shall not apply where the provisions of subparagraph (7) or (8) are applied.

(7) Where it is proved to the satisfaction of the Commissioner that accurate records of distances travelled in such vehicle for private purposes (including travelling between the employee's place of residence and his place of employment) are kept, the Commissioner may upon the assessment of the employee's liability for normal tax reduce the value placed on the private or domestic use of the vehicle to such amount as appears to the Commissioner to be fair and reasonable in the circumstances of the case if the total distance so travelled during the year of assessment was less than 10 000 kilometres or, where the period in that year during which the vehicle was available for the employee's use was less than 12 months, a distance which bears to 10 000 kilometres the same ratio as the said period bears to 12 months.

(8) If—

- (a) the cash equivalent of the value of a taxable benefit in respect of a motor vehicle falls to be included in the income of an employee;
- (b) the employee was required by his employer to bear any portion of the cost of the licence for the vehicle, the insurance thereof, the fuel used therein or the maintenance thereof;
- (c) no compensation in the form of an allowance or reimbursement was payable by the employer to the employee in respect of the expenditure borne by the employee in respect of the said cost; and
- (d) where the cost of fuel for or of maintenance of the vehicle was borne by the employee, the value determined under subparagraph (4) included an amount in respect of fuel or the maintenance thereof, as the case may be,

the said cash equivalent shall, on assessment of the employee's liability for normal tax, be reduced by the amount actually incurred by the employee during the relevant year of assessment in respect of the said cost and any such reduction shall, in so far as the amount thereof includes any amount which would otherwise qualify for deduction from the employee's income, be deemed to be in lieu of such deduction in respect of fuel or maintenance, as the case may be.

(9) Any decision of the Commissioner in the exercise of his discretion under subparagraph (6) or (7) shall be subject to objection and appeal.

(10) For the purposes of this paragraph the private use by an employee of a motor vehicle shall be deemed to have no value, if—

- (a) (i) the vehicle is available to and is in fact used by employees of the employer in general;
- (ii) the private use of the vehicle by the employee concerned is infrequent or is merely incidental to its business use; and
- (iii) the vehicle is not normally kept at or near the residence of the employee concerned when not in use outside of business hours; or
- (b) the nature of the employee's duties are such that he is regularly required to use the vehicle for the performance of such duties outside his normal hours of work, and he is not permitted to use such vehicle for private purposes other than travelling between his place of residence and his place of work.

Meals, refreshments and meal and refreshment vouchers

8. (1) Where an employee has been provided with any meal, refreshment or voucher as contemplated in paragraph 2 (c), the cash equivalent of the taxable benefit shall be so much of the value of such meal, refreshment or voucher (as determined under subparagraph (2) of this paragraph) as exceeds any consideration given by the employee in respect of such meal, refreshment or voucher.

(2) The value to be placed on such meal, refreshment or voucher shall be the cost to the employer of such meal, refreshment or voucher.

(3) No value shall be placed under this paragraph on—

- (a) any meal or refreshment supplied by an employer to his employee in any canteen, cafeteria or dining room operated by or on behalf of the employer and patronised wholly or mainly by his employees or on the business premises of the employer;

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

- (b) 'n maaltyd of verversing deur 'n werkgewer aan 'n werknemer gedurende besigheidsure of verlengde werksure of by 'n spesiale geleentheid verskaf; of
- (c) 'n maaltyd of verversing wat deur 'n werknemer geniet word in die loop van die verskaffing van 'n maaltyd of verversing aan iemand wat die werknemer verplig is om namens die werkgewer te onthaal.

Huisvesting

9. (1) By die toepassing van hierdie paragraaf beteken—

“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 met inbegrip van bedrae in paragrawe (iv) en (vii) van daardie omskrywing bedoel) wat deur hom van sy werkgewer en enige maatskappy en fondse wat verwante inrigtings met betrekking tot die werkgewer is, verkry is, maar uitgesonderd—

- (a) die waarde van 'n voordeel of belasbare voordeel verkry uit die private gebruik van 'n motorvoertuig of die bewoning van huisvesting;
- (b) die bedrag van enige besoldiging wat deur 'n werknemer wat nie 'n beherende aandeelhouer of een van die beherende aandeelhouders van die werkgewer maatskappy is nie, vanaf 'n verwante inrigting met betrekking tot die werkgewer verkry is, indien daar tot oortuiging van die Kommissaris bewys word dat die werknemer se diens by daardie werkgewer geensins met die werknemer se diens by bedoelde verwante inrigting verbind is of was nie ('n beslissing van die Kommissaris ingevolge hierdie paragraaf synde aan beswaar en appèl onderhewig te wees); en
- (c) 'n bedrag in paragraaf (iii) van die voorbehoudsbepaling by paragraaf (c) van die omskrywing van “bruto inkomste” in artikel 1 van hierdie Wet bedoel;

“besoldigingsfaktor”, met betrekking tot 'n jaar van aanslag waartydens 'n werknemer huisvesting bewoon het, die besoldiging deur hom gedurende die jaar van aanslag wat eersgenoemde jaar van aanslag voorafgaan, verkry: Met dien verstande dat—

- (i) waar gedurende 'n gedeelte van bedoelde voorafgaande jaar die werknemer nie in die diens van die werkgewer of 'n verwante inrigting met betrekking tot die werkgewer was nie, die besoldigingsfaktor met betrekking tot daardie werknemer geag word 'n bedrag te wees wat in dieselfde verhouding tot die bedrag van sy besoldiging vir die gedeelte van bedoelde voorafgaande jaar waartydens hy in bedoelde diens was, staan as die verhouding waarin 365 dae tot die aantal dae in bedoelde laasgenoemde gedeelte staan;
- (ii) waar gedurende die geheel van bedoelde voorafgaande jaar, die werknemer nie in die diens van die werkgewer of 'n verwante inrigting met betrekking tot die werkgewer was nie, die besoldigingsfaktor met betrekking tot daardie werkgewer geag word 'n bedrag te wees wat in dieselfde verhouding tot die werknemer se besoldiging gedurende die eerste maand waartydens hy in die diens van die werkgewer was, staan as die verhouding waarin 365 dae tot die aantal dae waartydens hy in bedoelde diens was, staan.

(2) Die kontantekwivalent van die waarde van die belasbare voordeel verkry uit die bewoning van huisvesting soos in paragraaf 2 (d) beoog, is die huurwaarde van bedoelde huisvesting (soos ingevolge subparagraaf (3), (4) of (5) van hierdie paragraaf vasgestel ten opsigte van die jaar van aanslag) min enige huurvergoeding deur die werknemer vir bedoelde huisvesting ten opsigte van bedoelde jaar gegee, enige huurvergoeding deur hom gegee ten opsigte van huishoudelike goed wat saam met bedoelde huisvesting verskaf word en enige vordering teen die werknemer deur die werkgewer gemaak ten opsigte van krag of brandstof wat saam met die huisvesting verskaf word.

(3) Die huurwaarde wat op bedoelde huisvesting (behalwe huisvesting in subparagraaf (4) bedoel) vir 'n jaar van aanslag geplaas moet word, is 'n bedrag vasgestel ooreenkomstig die formule

$$(A - B) \times \frac{C}{100} \times \frac{D}{12},$$

in welke formule—

- (a) “A” die besoldigingsfaktor voorstel soos met betrekking tot die jaar van aanslag vasgestel;
- (b) “B” 'n korting gelyk aan 'n bedrag van R20 000 voorstel: Met dien verstande dat waar—
- (i) die werkgewer 'n private maatskappy is en die werknemer of sy gade die maatskappy beheer of een van die persone is wat die maatskappy beheer, hetsy beheer regstreeks as 'n aandeelhouer in die maatskappy of as 'n aandeelhouer in 'n ander maatskappy uitgeoefen word; of
- (ii) die betrokke huisvesting deur die werknemer of sy gade of minderjarige kind besit word, of die werknemer, sy gade of minderjarige kind oor 'n opsie of reg van voorkoop, verleen deur die werkgewer of iemand anders in ooreenkoms met die werkgewer of 'n verwante inrigting met betrekking tot die werkgewer, beskik waarvolgens die werknemer, sy gade of minderjarige kind die eienaar van die huisvesting kan word,
- genoemde korting na nul verminder moet word;
- (c) “C” 'n grootheid van 15 voorstel: Met dien verstande dat waar die huisvesting uit 'n huis, woonstel of appartement van minstens vier vertrekke bestaan—
- (i) “C” 'n grootheid van 16 voorstel indien—
- (aa) bedoelde huisvesting ongemeubileerd is of krag of brandstof deur die werkgewer verskaf is; of

INCOME TAX ACT, 1984

Act No. 121, 1984

- (b) any meal or refreshment supplied by an employer to an employee during business hours or extended working hours or on a special occasion; or
- (c) any meal or refreshment enjoyed by an employee in the course of providing a meal or refreshment to any person whom the employee is required to entertain on behalf of the employer.

Residential accommodation

9. (1) For the purposes of this paragraph—

“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 including any amounts referred to in paragraphs (iv) and (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—

- (a) the value of any benefit or taxable benefit derived from the private use of any motor vehicle or the occupation of residential accommodation;
- (b) the amount of any remuneration derived by any employee who is not the controlling shareholder or one of the controlling shareholders of the employer company, from an associated institution in relation to the employer if it is shown to the satisfaction of the Commissioner that the employee's employment with the employer is not and was not in any way connected with the employee's employment with such associated institution (any decision of the Commissioner under this paragraph being subject to objection and appeal); and
- (c) any amount referred to in paragraph (iii) of the proviso to paragraph (c) of the definition of “gross income” in section 1 of this Act;

“remuneration factor”, in relation to a year of assessment during which an employee has occupied residential accommodation, means the remuneration derived by him during the year of assessment immediately preceding the firstmentioned year of assessment: Provided that—

- (i) where during a portion of such preceding year the employee was not in the employment of the employer or any associated institution in relation to the employer, the remuneration factor shall as respects that employee be deemed to be an amount which bears to the amount of his remuneration for the portion of such preceding year during which he was in such employment the same ratio as the period of 365 days bears to the number of days in such lastmentioned portion;
- (ii) where during the whole of such preceding year, the employee was not in the employment of the employer or of any associated institution in relation to the employer, the remuneration factor shall as respects that employee be deemed to be an amount which bears to the employee's remuneration during the first month during which he was in the employment of the employer the same ratio as 365 days bears to the number of days during which he was in such employment.

(2) The cash equivalent of the value of the taxable benefit derived from the occupation of residential accommodation as contemplated in paragraph 2 (d) shall be the rental value of such accommodation (as determined under subparagraph (3), (4) or (5) of this paragraph in respect of the year of assessment) less any rental consideration given by the employee for such accommodation in respect of such year, any rental consideration given by him in respect of household goods supplied with such accommodation and any charge made to the employee by the employer in respect of power or fuel provided with the accommodation.

(3) The rental value to be placed on such accommodation (other than accommodation referred to in subparagraph (4)) for any year of assessment shall be an amount determined in accordance with the formula

$$(A - B) \times \frac{C}{100} \times \frac{D}{12}$$

in which formula—

- (a) “A” represents the remuneration factor as determined in relation to the year of assessment;
- (b) “B” represents an abatement equal to an amount of R20 000: Provided that in any case where—
 - (i) the employer is a private company and the employee or his spouse controls the company or is one of the persons controlling the company, whether control is exercised directly as a shareholder in the company or as a shareholder in any other company; or
 - (ii) the accommodation in question is owned by the employee or the spouse or minor child of the employee or the employee, his spouse or minor child has a right of option or pre-emption granted by the employer or by other person by arrangement with the employer or any associated institution in relation to the employer whereby the employee, his spouse or child may become the owner of the accommodation,

the said abatement shall be reduced to zero;

- (c) “C” represents a quantity of 15: Provided that where the accommodation consists of a house, flat or apartment consisting of at least four rooms—
 - (i) “C” represents a quantity of 16 if—
 - (aa) such accommodation is unfurnished and power or fuel is supplied by the employer; or

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

- (bb) bedoelde huisvesting gemeubileerd is maar krag of brandstof nie deur die werkgewer verskaf word nie; of
- (ii) "C" 'n grootheid van 17 voorstel indien bedoelde huisvesting gemeubileerd is en krag of brandstof deur die werkgewer verskaf word; en
- (d) "D" die getal maande voorstel met betrekking tot 'n jaar van aanslag waartydens die werknemer op bewoning van bedoelde huisvesting geregtig was.
- (4) Die huurwaarde wat op die tydelike bewoning van huisvesting vir doeleindes van 'n vakansie geplaas staan te word, is—
- (a) waar bedoelde huisvesting deur die werkgewer gehuur is van 'n persoon wat nie 'n verwante inrigting met betrekking tot die werkgewer is nie, soveel van die huurgeld betaalbaar en enige bedrae vorderbaar ten opsigte van maaltye, verversings of enige dienste met betrekking tot bedoelde huisvesting as wat deur die werkgewer gedra is en wat in verband staan met die tydperk waartydens die huisvesting aldus bewoon is; of
- (b) in enige ander geval, 'n bedrag bereken teen 'n tarief van R25 per persoon per dag vir elke dag waartydens die huisvesting aldus bewoon was of teen die heersende tarief per dag waarteen bedoelde huisvesting normaalweg aan iemand verhuur sou word wat nie 'n werknemer van die werkgewer of 'n verwante inrigting met betrekking tot die werkgewer is nie, watter tarief ook al die laagste is.
- (5) Waar vanweë die ligging, aard of toestand van die huisvesting of enige ander faktor, die Kommissaris oortuig is dat die huurwaarde van bedoelde huisvesting minder is as die huurwaarde daarvan wat ingevolge subparagraaf (3) of (4) bepaalbaar is, kan hy bedoelde huurwaarde bepaal teen sodanige mindere bedrag as wat vir hom billik en redelik blyk te wees.
- (6) Waar 'n werknemer deur sy werkgewer van huisvesting voorsien is wat bestaan uit twee of meer woon-eenhede te verskillende plekke geleë, wat die werknemer geregtig is om van tyd tot tyd te bewoon terwyl hy sy dienste uitvoer, word bedoelde eenhede by die toepassing van hierdie Bylae geag een wooneenheid te wees en word die kontantekwivalent van die waarde van die voordeel van bedoelde eenhede ingevolge subparagraaf (2) vasgestel asof hulle een wooneenheid was.
- (7) Geen huurwaarde word ingevolge hierdie paragraaf geplaas op huisvesting weg van 'n werknemer se gewone woonplek deur sy werkgewer verskaf terwyl bedoelde werknemer van sy gewone woonplek vir die doeleindes van die uitvoering van dienspligte afwesig is nie: Met dien verstande dat die voorafgaande bepalinge van hierdie subparagraaf nie van toepassing is nie ten opsigte van 'n wooneenheid in subparagraaf (6) bedoel.
- (8) Vir die doeleindes van werknemersbelasting word 'n gepaste deel van die kontantekwivalent in subparagraaf (2) bedoel, aan elke tydperk gedurende die jaar van aanslag toegedeel ten opsigte waarvan enige kontantbesoldiging deur die werkgewer aan die werknemer betaal is of betaalbaar word.

Gratis of goedkoop dienste

10. (1) Die kontantekwivalent van die waarde van 'n belasbare voordeel verkry uit die lewering van 'n diens aan 'n werknemer soos in paragraaf 2 (e) beoog, is—
- (a) in die geval van 'n reisfasiliteit verleen deur 'n werkgewer wat in die besigheid van die vervoer teen vergoeding van passasiers oor see of per lug betrokke is, om 'n werknemer of 'n familielid van bedoelde werknemer in staat te stel om na 'n bestemming buite die Republiek vir sy private of huishoudelike doeleindes te reis indien die laagste reisegeld betaalbaar deur 'n passasier wat van bedoelde fasiliteit gebruik maak (sou hy die volle reisegeld betaal het) op die tersaaklike tydperk ten opsigte van 'n bedoelde reis R500 te bowe gaan, 'n bedrag gelyk aan bedoelde laagste reisegeld min die bedrag van enige vergoeding wat deur die werknemer of sy familielid ten opsigte van bedoelde fasiliteit gegee is: Met dien verstande dat by die toepassing hiervan 'n heenreis en 'n retoerreis as een reis beskou word; of
- (b) in die geval van die lewering van enige ander diens soos in genoemde paragraaf beoog, die koste vir die werkgewer om bedoelde diens te lewer of te laat lewer, min die bedrag van enige vergoeding wat deur die werknemer ten opsigte van bedoelde diens gegee is.
- (2) Geen waarde word ingevolge hierdie paragraaf geplaas nie op—
- (a) 'n reisfasiliteit verleen deur 'n werkgewer wat in die besigheid van die vervoer teen vergoeding van passasiers op land, oor see of per lug betrokke is, om 'n werknemer in sy diens of bedoelde werknemer se gade of minderjarige kind in staat te stel om te reis—
- (i) na 'n bestemming in die Republiek of oor land na 'n bestemming buite die Republiek; of
- (ii) na 'n bestemming buite die Republiek indien bedoelde reis onderneem is op 'n vlug of vaart wat in die normale loop van die werkgewer se besigheid geskied het en bedoelde werknemer, gade of minderjarige kind nie toegelaat is om 'n vaste vooruitbespreking van die sitplek of kajuit wat deur hom beset is, te maak nie, of indien die laagste reisegeld ten opsigte van bedoelde reisfasiliteit, soos in subparagraaf (1) (a) beoog, nie R500 te bowe gegaan het nie;
- (b) 'n vervoerdiens wat deur 'n werkgewer aan sy werknemers oor die algemeen gelewer word vir die vervoer van bedoelde werknemers van hulle woonplekke na hulle werkplek en *vice versa*; of
- (c) dienste deur 'n werkgewer aan sy werknemers by hul werkplek gelewer vir die beter uitvoering van hul dienspligte of as 'n voordeel wat by daardie plek deur hulle geniet moet word of vir ontspanningsdoeleindes by daardie plek of by 'n ontspanningsplek wat deur die werkgewer vir die gebruik van sy werknemers oor die algemeen voorsien is; of
- (d) toevallige dienste (behalwe 'n fasiliteit of diens in item (a), (b) of (c) bedoel) deur 'n werkgewer aan sy werknemer gelewer indien die koste vir die werkgewer om bedoelde dienste te lewer of te laat lewer nie in totaal die som van R500 gedurende die jaar van aanslag te bowe gaan nie.

INCOME TAX ACT, 1984

Act No. 121, 1984

- (bb) such accommodation is furnished but power or fuel are not supplied; or
- (ii) "C" represents a quantity of 17 if such accommodation is furnished and power or fuel is supplied by the employer; and
- (d) "D" represents the number of months in relation to a year of assessment during which the employee was entitled to occupation of such accommodation.
- (4) The rental value to be placed on accommodation occupied temporarily for the purposes of a holiday shall be—
- (a) where such accommodation is hired by the employer from a person other than an associated institution in relation to the employer, so much of the rental payable and any amounts chargeable in respect of meals, refreshments or any services relating to such accommodation as have been borne by the employer and are connected with the period during which the accommodation was so occupied; or
- (b) in any other case, an amount calculated at the rate of R25 per person per day for each day during which the accommodation was so occupied or at the prevailing rate per day at which such accommodation would normally be let to any person who is not an employee of the employer or of any associated institution in relation to the employer, whichever rate is lower.
- (5) Where, by reason of the situation, nature or condition of the accommodation or any other factor, the Commissioner is satisfied that the rental value of such accommodation is less than the rental value thereof determinable under subparagraph (3) or (4), he may determine such rental value at such lower amount as to him appears fair and reasonable.
- (6) Where any employee has been provided by his employer with residential accommodation consisting of two or more residential units situated at different places which the employee is entitled to occupy from time to time while performing his duties such units shall for the purposes of this Schedule be deemed to be one residential unit and the cash equivalent of the value of the benefit of such units shall be determined under subparagraph (2) as for one residential unit.
- (7) No rental value shall be placed under this paragraph on any accommodation away from an employee's usual place of residence provided by his employer while such employee is absent from his usual place of residence for the purposes of performing the duties of his employment: Provided that the preceding provisions of this subparagraph shall not apply in respect of any residential unit referred to in subparagraph (6).
- (8) For employees tax purposes an appropriate portion of the cash equivalent referred to in subparagraph (2) shall be apportioned to each period during the year of assessment in respect of which any cash remuneration is paid or becomes payable by the employer to the employee.

Free or cheap services

10. (1) The cash equivalent of the value of any taxable benefit derived from the rendering of a service to any employee as contemplated in paragraph 2 (e) shall be—
- (a) in the case of any travel facility granted by any employer who is engaged in the business of conveying passengers for reward by sea or by air to enable any employee or any relative of such employee to travel to any destination outside the Republic for his private or domestic purposes, if the lowest fare payable by a passenger utilizing such facility (had he paid the full fare) at the relevant time in respect of any such journey exceeds R500, an amount equal to such lowest fare, less the amount of any consideration given by the employee or his relative in respect of such facility: Provided that for the purposes hereof a forward journey and a return journey shall be regarded as one journey; or
- (b) in the case of the rendering of any other service as contemplated in the said paragraph, the cost to the employer in rendering such service or having such service rendered, less the amount of any consideration given by the employee in respect of such service.
- (2) No value shall be placed under this paragraph on—
- (a) any travel facility granted by any employer who is engaged in the business of conveying passengers for reward by land, sea or air to enable any employee in his employment or such employee's spouse or minor child to travel—
- (i) to any destination in the Republic or to travel overland to any destination outside the Republic; or
- (ii) to any destination outside the Republic if such travel was undertaken on a flight or voyage made in the ordinary course of the employer's business and such employee, spouse or minor child was not permitted to make a firm advance reservation of the seat or berth occupied by him, or if the lowest fare in respect of such travel facility, as contemplated in subparagraph (1) (a), did not exceed R500;
- (b) any transport service rendered by any employer to his employees in general for the conveyance of such employees from their homes to the place of their employment and *vice versa*;
- (c) any services rendered by an employer to his employees at their place of work for the better performance of their duties or as a benefit to be enjoyed by them at that place or for recreational purposes at that place or a place of recreation provided by the employer for the use of his employees in general; or
- (d) occasional services (other than a facility or service referred to in item (a), (b) or (c)) rendered by any employer to his employee if the cost to the employer of rendering such services or of having such services rendered does not in the aggregate exceed the sum of R500 during the year of assessment.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

Voordele ten opsigte van rente op lenings

11. (1) Behoudens die bepalings van paragraaf 14, is die kontantekwivalent van die waarde van die belasbare voordeel verkry as gevolg van die toekenning van 'n lening aan 'n werknemer onder die omstandighede in paragraaf 2 (f) beoog, die bedrag aan rente wat op die bedrag verskuldig ten opsigte van die jaar van aanslag betaalbaar sou gewees het indien die werknemer verplig was om rente op bedoelde bedrag gedurende daardie jaar teen die amptelike rentekoers te betaal, min die bedrag aan rente (indien enige) wat werklik deur die werknemer ten opsigte van die lening ten opsigte van bedoelde jaar opgeloopt is

(2) Vir doeleindes van werknemersbelasting—

(a) word 'n gedeelte van genoemde kontantekwivalent geag aan die werknemer toe te geval het—

(i) waar rente op die betrokke lening by gereelde tussenpose deur die werknemer betaalbaar is, op elke datum gedurende die jaar van aanslag waarop rente aldus vir 'n gedeelte van bedoelde jaar betaalbaar word;

(ii) waar rente op die betrokke lening by ongereelde tussenpose deur die werknemer betaalbaar is, of waar rente op die lening nie deur hom betaalbaar is nie, op die laaste dag van elke tydperk gedurende die jaar van aanslag ten opsigte waarvan enige kontantbesoldiging deur die werkgewer aan die werknemer betaalbaar word; en

(b) word genoemde gedeelte vasgestel deur rente te bereken teen die amptelike rentekoers vir die deel van die jaar in subparagraaf (2) (a) (i) bedoel of die tydperk in subparagraaf (2) (a) (ii) bedoel, na gelang van die geval, en daarvan af te trek soveel van die bedrag aan rente (indien enige) deur hom op die lening betaalbaar as wat betrekking het op genoemde deel van 'n jaar of genoemde tydperk, na gelang van die geval.

(3) Met die toestemming van die Kommissaris kan 'n verskillende metode van berekening van genoemde kontantekwivalent of gedeeltes daarvan aangewend word indien die Kommissaris oortuig is dat bedoelde metode in wese dieselfde resultaat oplewer as die metodes soos in subparagraaf (1) en (2) bepaal.

(4) Geen waarde word ingevolge hierdie paragraaf geplaas nie op die belasbare voordeel verkry as gevolg van—

(a) die toekenning deur 'n werkgewer aan sy werknemer van 'n toevallige lening of lenings indien bedoelde lening of die totaal van bedoelde lenings op enige tersaaklike tydperk die som van R3 000 nie te bowe gaan nie; of

(b) die toekenning van 'n lening deur 'n werkgewer aan sy werknemer om daardie werknemer in staat te stel om sy eie studies te bevorder.

(5) Waar 'n bedrag, synde die kontantekwivalent soos vasgestel ingevolge die bepalings van hierdie paragraaf, van die waarde van 'n belasbare voordeel deur 'n belastingpligtige verkry as gevolg van 'n lening aan hom toegestaan, in bedoelde belastingpligtige se belasbare inkomste in 'n jaar van aanslag ingesluit is, word bedoelde bedrag by die toepassing van artikel 11 (a) van hierdie Wet geag rente werklik deur hom in daardie jaar van aanslag ten opsigte van genoemde lening opgeloopt te wees waar bedoelde bedrag, indien dit werklik as rente opgeloopt sou gewees het, deur die belastingpligtige by die voortbrenging van sy inkomste opgeloopt sou gewees het.

Subsidies ten opsigte van leningsrente ingevolge huiseienaarskap- of behuisingskemas

12. Behoudens die bepalings van paragraaf 14, is die kontantekwivalent van die waarde van die belasbare voordeel bestaande uit 'n subsidie ten opsigte van die bedrag aan rente of kapitaal terugbetalings in paragraaf 2 (g) bedoel, die bedrag van bedoelde subsidie: Met dien verstande dat waar die rentekoers op die lening betaalbaar die amptelike rentekoers te bowe gaan en die subsidie ingevolge 'n deur die Kommissaris goedgekeurde huiseienaarskap- of behuisingskema betaalbaar is, daar by die toepassing van hierdie paragraaf van die subsidie afgetrek word soveel daarvan as wat die Kommissaris oortuig is nie ingevolge bedoelde skema betaalbaar sou gewees het nie indien die rentekoers betaalbaar op die lening gelyk aan die amptelike rentekoers was.

Betaling van werknemer se skuld of ontheffing van werknemer van verpligting om skuld te betaal

13. (1) Die kontantekwivalent van die waarde van die belasbare voordeel verkry vanweë die betaling deur 'n werkgewer van 'n bedrag onder die omstandighede in paragraaf 2 (h) beoog, is 'n bedrag gelyk aan bedoelde bedrag, en die kontantekwivalent van die waarde van die belasbare voordeel deur 'n werknemer verkry vanweë sy ontheffing van die verpligting om 'n verskuldigde bedrag te betaal, soos in genoemde paragraaf beoog, is 'n bedrag gelyk aan die bedrag wat verskuldig was.

(2) Geen waarde word ingevolge hierdie paragraaf geplaas nie op die waarde van enige belasbare voordeel verkry—

(a) vanweë die feit dat 'n werkgewer die koste gedra het van 'n telefoondiens aan sy werknemer by die werknemer se woonplek gelewer, indien die lewering van bedoelde diens deur die werkgewer vereis word omrede die werknemer, as gevolg van die aard van sy pligte, gedurende sy diensvrye ure ter beskikking moet wees, of die telefoon benodig word vir die doeleindes van dienste deur die werknemer by sy woonplek aan sy werkgewer gelewer; of

(b) vanweë die feit dat 'n werkgewer subskripsies deur 'n werknemer aan 'n professionele liggaam verskuldig, betaal het, indien lidmaatskap van bedoelde liggaam 'n voorwaarde van die werknemer se diens is; of

(c) vanweë die ontheffing deur 'n werkgewer van 'n verpligting om 'n bedrag deur die werknemer aan die werkgewer verskuldig, te betaal, indien bedoelde ontheffing na die afsterwe van die werkgewer geskied, tensy die werkgewer 'n private maatskappy is en die werknemer toe die bedrag verskuldig geword het of te eniger tyd daarna 'n aandeelhouer in daardie maatskappy was.

INCOME TAX ACT, 1984

Act No. 121, 1984

Benefits in respect of interest on loans

11 (1) Subject to the provisions of paragraph 14 the cash equivalent of the value of the taxable benefit derived in consequence of the grant of a loan to an employee in the circumstances contemplated in paragraph 2 (f) shall be the amount of interest that would have been payable on the amount owing in respect of the loan in respect of the year of assessment if the employee had been obliged to pay interest on such amount during such year at the official rate of interest, less the amount of interest (if any) actually incurred by the employee in respect of the loan in respect of such year.

(2) For employees tax purposes—

(a) a portion of the said cash equivalent shall be deemed to have accrued to the employee—

(i) where interest on the loan in question becomes payable by the employee at regular intervals, on each date during the year of assessment on which interest becomes so payable for a portion of such year;

(ii) where interest on the loan in question becomes payable by the employee at irregular intervals or where interest on the loan is not payable by him, on the last day of each period during the year of assessment in respect of which any cash remuneration becomes payable by the employer to the employee; and

(b) the said portion shall be determined by calculating interest at the official rate of interest for the portion of the year referred to in subparagraph (2) (a) (i) or the period referred to in subparagraph (2) (a) (ii), as the case may be, and deducting therefrom so much of the amount of interest (if any) payable by him on the loan as relates to the said portion of a year or the said period, as the case may be.

(3) With the consent of the Commissioner a different method of calculation of the said cash equivalent or portions thereof may be employed if the Commissioner is satisfied that such method achieves substantially the same result as the methods provided in subparagraphs (1) and (2).

(4) No value shall be placed under this paragraph on the taxable benefit derived in consequence of—

(a) the grant by any employer to his employee of any casual loan or loans if such loan or the aggregate of such loans does not exceed the sum of R3 000 at any relevant time; or

(b) the grant by any employer to his employee of any loan for the purpose of enabling that employee to further his own studies.

(5) Where any amount, being the cash equivalent as determined under the provisions of this paragraph, of the value of a taxable benefit derived by any taxpayer in consequence of a loan granted to him, has been included in such taxpayer's taxable income in any year of assessment, such amount shall for the purposes of section 11 (a) of this Act be deemed to be interest actually incurred by him in that year of assessment in respect of the said loan where such amount, had it been actually incurred as interest, would have been incurred by the taxpayer in the production of his income.

Subsidies in respect of loan interest under home ownership or housing schemes

12. Subject to the provisions of paragraph 14 the cash equivalent of the value of the taxable benefit consisting of any subsidy in respect of the amounts of interest or capital repayments referred to in paragraph 2 (g) shall be the amount of such subsidy: Provided that where the rate of interest payable on the loan exceeds the official rate of interest and the subsidy is payable under a home ownership or housing scheme approved by the Commissioner, there shall for the purposes of this paragraph be deducted from the subsidy so much thereof as the Commissioner is satisfied would not have been payable under such scheme had the rate of interest payable on the loan been equal to the official rate of interest.

Payment of employee's debt or release of employee from obligation to pay a debt

13. (1) The cash equivalent of the value of the taxable benefit derived by reason of the payment of any amount by an employer in the circumstances contemplated in paragraph 2 (h) shall be an amount equal to such amount and the cash equivalent of the benefit to an employee by reason of his release from the obligation to pay an amount owing, as contemplated in the said paragraph, shall be an amount equal to the amount that was owing.

(2) No value shall be placed under this paragraph on the value of any taxable benefit derived—

(a) by reason of the fact that an employer has borne the cost of a telephone service rendered to his employee at the employee's place of residence, if such service is required to be rendered by the employer because the employee, owing to the nature of his duties, has to be on call during his off-duty hours or the telephone is required for the purpose of services rendered by the employee to his employer at his place of residence; or

(b) by reason of the fact that an employer has paid subscriptions due by his employee to a professional body, if membership of such body is a condition of the employee's employment; or

(c) by reason of the release by an employer of an obligation to pay any amount owing by the employee to the employer, if such release is made after the death of the employee, unless the employer is a private company and the employee was at the time the amount became owing by him or at any time thereafter a shareholder in that company.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

Spesiale aftrekking ten opsigte van die kontantekwivalent van sekere behuisingsvoordele

14. (1) Behoudens die bepalings van subparagraaf (2), waar 'n werknemer ingevolge 'n huiscienaarskap- of behuisingskema wat die Kommissaris goedgekeur het vir die doeleindes van hierdie paragraaf, 'n belasbare voordeel verkry het as gevolg van die toekenning van 'n lening of ten opsigte van 'n subsidie op rentebedrag of kapitaal terugbetalings ten opsigte van 'n lening, en in die een of die ander geval die lening aangewend is vir die doeleindes van die verkryging, oprigting, uitbreiding of verbetering van sy private woning, word die kontantekwivalent van daardie voordeel, soos volgens voorskrif van paragraaf 11 of 12 vasgestel, watter ook al van toepassing is, verminder—

- (a) met 90 persent van die kontantekwivalent waar die kontantekwivalent betrekking het op die jaar van aanslag wat op 28 Februarie 1986 eindig; of
- (b) met 75 persent van die kontantekwivalent waar die kontantekwivalent betrekking het op die jaar van aanslag wat op 28 Februarie 1987 eindig; of
- (c) met 60 persent van die kontantekwivalent waar die kontantekwivalent betrekking het op die jaar van aanslag wat op 29 Februarie 1988 eindig; of
- (d) met 45 persent van die kontantekwivalent waar die kontantekwivalent betrekking het op die jaar van aanslag wat op 28 Februarie 1989 eindig; of
- (e) met 30 persent van die kontantekwivalent waar die kontantekwivalent betrekking het op die jaar van aanslag wat op 28 Februarie 1990 eindig; of
- (f) met 15 persent van die kontantekwivalent waar die kontantekwivalent betrekking het op die jaar van aanslag wat op 28 Februarie 1991 eindig.

en in so 'n geval is die bedrag wat ingevolge paragraaf (i) van die omskrywing van "bruto inkomste" in artikel 1 van hierdie Wet in die werknemer se bruto inkomste ingesluit moet word, genoemde kontantekwivalent soos ingevolge hierdie paragraaf verminder.

(2) Die Kommissaris keur nie 'n huiscienaarskap- of behuisingskema vir die doeleindes van subparagraaf (1) goed nie, tensy hy oortuig is dat die skema op 28 Maart 1984 in bedryf was.

Aftrekking ten opsigte van die kontantekwivalent van sekere belasbare voordele gedurende die jaar van aanslag eindigende op 28 Februarie 1986 verkry

15. (1) Behoudens die bepalings van subparagraaf (2), word die kontantekwivalent ingevolge paragraaf 6, 7, 9 of 11 vasgestel ten opsigte van 'n belasbare voordeel deur 'n werknemer gedurende die jaar van aanslag eindigende op 28 Februarie 1986 verkry, verminder met 50 persent van bedoelde kontantekwivalent, en in so 'n geval is die bedrag wat ingevolge paragraaf (i) van die omskrywing van "bruto inkomste" in artikel 1 van hierdie Wet in die werknemer se inkomste ingesluit staan te word, genoemde kontantekwivalent soos verminder ingevolge hierdie paragraaf.

(2) Die bepalings van subparagraaf (1) is nie van toepassing nie ten opsigte van—

- (a) die kontantekwivalent van 'n belasbare voordeel in paragraaf 14 bedoel; of
- (b) soveel van die kontantekwivalent van enige ander belasbare voordeel gedurende genoemde jaar verkry as wat volgens die Kommissaris se oortuiging, met inagneming van die omstandighede van die geval, aan die betrokke werknemer toegestaan is ter vervanging van besoldiging wat normaalweg in kontant aan die werknemer betaalbaar sou gewees het of met die uitsluitlike of hoofdoel om die werknemer van 'n voordeel ingevolge hierdie paragraaf te voorsien.

(3) 'n Beslissing van die Kommissaris by die aanslaan van die aanspreeklikheid vir normale belasting van die betrokke werknemer is aan beswaar en appèl onderhewig.

Voordele verleen aan familieledes van werknemers en andere

16. (1) By die toepassing van hierdie Bylae en van paragraaf (i) van die omskrywing van "bruto inkomste" in artikel 1 van hierdie Wet, word 'n werknemer geag 'n belasbare voordeel ten opsigte van sy diens met 'n werkgewer verleen te gewees het indien as 'n voordeel of bate van of uit hoofde van die werknemer se diens met die werkgewer of as 'n beloning vir dienste wat deur die werknemer gelewer is of gelewer moet word—

- (a) die werkgewer 'n voordeel of bate (hetsy regstreeks of onregstreeks) aan 'n familielid van die werknemer verleen het; of
- (b) iets ingevolge 'n ooreenkoms, transaksie of reëling deur die werkgewer gedoen is ten einde 'n voordeel of bate aan iemand behalwe die werknemer te verleen (hetsy regstreeks of onregstreeks),

en bedoelde voordeel of bate, indien dit regstreeks deur die werkgewer aan die werknemer verleen sou gewees het, 'n belasbare voordeel in paragraaf 2 beoog, sou uitgemaak het.

(2) Die bepalings van hierdie Bylae is met betrekking tot die belasbare voordeel aldus geag verleen te gewees het, van toepassing asof die belasbare voordeel werklik aan die werknemer verleen was.

Sertifikate deur werkgewers

17. (1) Elke werkgewer moet binne 30 dae na die einde van 'n jaar of tydperk van aanslag waartydens 'n werknemer van daardie werkgewer 'n belasbare voordeel geniet het wat deur die werkgewer verleen is, of in enige besondere geval, binne die verdere tydperk wat die Kommissaris goedkeur, aan bedoelde werknemer 'n sertifikaat verstrek wat die aard van bedoelde belasbare voordeel en die volle kontantekwivalent van die waarde daarvan gedurende bedoelde jaar of tydperk aantoon.

(2) Die bepalings van subparagraaf (1) is ook van toepassing ten opsigte van 'n belasbare voordeel in paragraaf 4 of 16 bedoel.

(3) Bedoelde werkgewer moet binne genoemde tydperk van 30 dae of genoemde verdere tydperk 'n afskrif van bedoelde sertifikaat aan die Kommissaris verstrek.

INCOME TAX ACT, 1984

Act No. 121, 1984

Special deduction in respect of the cash equivalent of certain housing benefits

14. (1) Subject to the provisions of subparagraph (2), where an employee has under a home ownership or housing scheme approved by the Commissioner for the purposes of this paragraph, derived a taxable benefit in consequence of the granting of a loan or in respect of a subsidy on interest or capital repayments in respect of a loan, and in either case the loan was utilized for the purposes of acquiring, erecting, extending or improving his private residence, the cash equivalent of such benefit, as determined under paragraph 11 or 12, whichever is applicable, shall be reduced—

- (a) by 90 per cent of the cash equivalent where the cash equivalent relates to the year of assessment ending on 28 February 1986; or
- (b) by 75 per cent of the cash equivalent where the cash equivalent relates to the year of assessment ending on 28 February 1987; or
- (c) by 60 per cent of the cash equivalent where the cash equivalent relates to the year of assessment ending on 29 February 1988; or
- (d) by 45 per cent of the cash equivalent where the cash equivalent relates to the year of assessment ending on 28 February 1989; or
- (e) by 30 per cent of the cash equivalent where the cash equivalent relates to the year of assessment ending on 28 February 1990; or
- (f) by 15 per cent of the cash equivalent where the cash equivalent relates to the year of assessment ending on 28 February 1991,

and in such case the amount to be included in the employee's gross income under paragraph (i) of the definition of "gross income" in section 1 of this Act shall be the said cash equivalent as reduced under this paragraph.

(2) The Commissioner shall not approve any home ownership or housing scheme for the purposes of subparagraph (1), unless he is satisfied that the scheme was in operation on 28 March 1984.

Deduction in respect of the cash equivalent of certain taxable benefits derived during the year of assessment ending on 28 February 1986

15. (1) Subject to the provisions of subparagraph (2), the cash equivalent determined under paragraph 6, 7, 9 or 11 in respect of any taxable benefit derived by an employee during the year ending on 28 February 1986, shall be reduced by 50 per cent of such cash equivalent and in such case the amount to be included in the employee's gross income under paragraph (i) of the definition of "gross income" in section 1 of this Act shall be the said cash equivalent as reduced under this paragraph.

(2) The provisions of subparagraph (1) shall not apply in respect of—

- (a) the cash equivalent of any taxable benefit referred to in paragraph 14; or
- (b) so much of the cash equivalent of any other taxable benefit derived during the said year as the Commissioner, having regard to the circumstances of the case, is satisfied has been granted to the employee concerned in substitution for remuneration which would normally have been payable to the employee in cash or with the sole or main object of providing the employee with an advantage under this paragraph.

(3) Any decision of the Commissioner on assessment of the liability of the employee concerned for normal tax shall be subject to objection and appeal.

Benefits granted to relatives of employees and others

16. (1) For the purposes of this Schedule and of paragraph (i) of the definition of "gross income" in section 1 of this Act, an employee shall be deemed to have been granted a taxable benefit in respect of his employment with an employer if as a benefit or advantage of or by virtue of the employee's employment with the employer or as a reward for services rendered or to be rendered by the employee—

- (a) the employer has granted a benefit or advantage (whether directly or indirectly) to a relative of the employee; or
- (b) anything is done by the employer under any agreement, transaction or arrangement so as to confer any benefit or advantage upon any person other than the employee (whether directly or indirectly),

and such benefit or advantage, if it had been granted directly by the employer to the employee, would have constituted a taxable benefit contemplated in paragraph 2.

(2) The provisions of this Schedule shall apply in relation to the taxable benefit so deemed to have been granted as though the taxable benefit had in fact been granted to the employee.

Certificates by employers

17. (1) Every employer shall, within 30 days after the end of any year or period of assessment during which an employee of that employer has enjoyed any taxable benefit granted by the employer, or, in any particular case, within such further period as the Commissioner may approve, deliver to such employee a certificate which shall show the nature of such taxable benefit and the full cash equivalent of the value thereof during such year or period.

(2) The provisions of subparagraph (1) shall also apply in respect of any taxable benefit referred to in paragraph 4 or 16.

(3) Such employer shall within the said period of 30 days or the said further period, deliver to the Commissioner a copy of such certificate.

Wet No. 121, 1984

INKOMSTEBELASTINGWET, 1984

(4) 'n Werkgewer wat versuim om aan die vereistes van hierdie paragraaf te voldoen, moet aan die Kommissaris 'n boete betaal gelykstaande met 10 persent van die kontantekwivalent van die waarde van die betrokke belasbare voordeel of, waar genoemde kontantekwivalent te laag opgegee is, van die bedrag waarmee die kontantekwivalent te laag opgegee is: Met dien verstande dat die Kommissaris, indien hy oortuig is dat bedoelde versuim nie aan 'n bedoeling aan die kant van die werkgewer om sy verpligtinge ingevolge hierdie Wet te ontduik, te wyte is nie en nie bedoel is om die betrokke werknemer in staat te stel om bedoelde werknemer se verpligtinge ingevolge hierdie Wet te ontduik nie, die boete by hierdie subparagraaf opgelê geheel of ten dele kan kwytsteld.

(5) Bedoelde boete is op die betrokke werkgewer belasbaar en verhaalbaar asof dit 'n ingevolge hierdie Wet hefbaar belasting is: Met dien verstande dat 'n weiering deur die Kommissaris om enige gedeelte van bedoelde boete kwyt te skeld aan beswaar en appèl onderworpe is.

(6) Die voorafgaande bepalinge van hierdie paragraaf is nie van toepassing nie waar die kontantekwivalent van bedoelde belasbare voordeel besoldiging in die hande van die betrokke werknemer uitgemaak het waarvan werknemersbelasting deur die werkgewer afgetrek of teruggehou is en bedoelde kontantekwivalent in 'n werknemersbelastingstifikaat ingesluit is wat ingevolge paragraaf 13 van die Vierde Bylae aan die werknemer verstrekk is, behalwe in die mate dat bedoelde kontantekwivalent in bedoelde stifikaat te laag opgegee is.

Jaarstate deur werkgewers

18. (1) Elke werkgewer moet nie later nie as 31 Mei van elke jaar of binne die tydperk eindigende na daardie datum wat die Kommissaris goedkeur, 'n staat aan die Kommissaris verstrekk, in die vorm wat die Kommissaris voorskryf, aangaande die belasbare voordele deur die werknemers van daardie werkgewer gedurende die tydperk van twaalf maande eindigende op die laaste dag van Februarie van daardie jaar geniet is, of wat sertifiseer dat geen sodanige voordele geniet is nie.

(2) Elke bedoelde staat moet, in die geval van 'n maatskappy, deur 'n direkteur van die maatskappy as juis gesertifiseer word.

(3) Die bepalinge van hierdie paragraaf tree op 1 Maart 1986 in werking.

Misdrywe

19. Iemand wat—

(a) 'n in paragraaf 17 (1) bedoelde stifikaat wat vals is, gee of uitreik of laat gee of uitreik of dit wetens besit of gebruik of laat gebruik; of

(b) aan die Kommissaris 'n in paragraaf 18 bedoelde staat wat vals is, verstrekk,

is aan 'n misdryf skuldig en by skuldigbevinding strafbaar met 'n boete van hoogstens R400 of met gevangenisstraf vir 'n tydperk van hoogstens ses maande of met bedoelde boete sowel as bedoelde gevangenisstraf.

Wysigings van hierdie Bylae

20. (1) Die Minister van Finansies kan by kennisgewing in die *Staatskoerant*—

(a) die omskrywing van "amptelike rentekoers" in paragraaf 1 wysig om die daarin gespesifiseerde rentekoers te verander;

(b) die bepalinge van paragraaf 5 (3) (b) wysig om die daarin gespesifiseerde bedrag te verander;

(c) die bepalinge van paragraaf 7 (4) wysig om die daarin gespesifiseerde skaal deur 'n ander skaal te vervang en om die bedrae in die voorbehoudsbepaling daarby te verander;

(d) die bepalinge van paragraaf 7 (7) wysig om die daarin gespesifiseerde afstand in kilometers te verander;

(e) die bepalinge van paragraaf 9 (3) (b) wysig om die daarin gespesifiseerde bedrag te verander;

(f) die bepalinge van paragraaf 9 (3) (c) wysig om die daarin gespesifiseerde groothede te verander;

(g) die bepalinge van paragraaf 9 (4) (b) wysig om die daarin gespesifiseerde daaglikse bedrag te verander;

(h) die bepalinge van paragraaf 10 (1) (a) wysig om die daarin gespesifiseerde bedrag te verander;

(i) die bepalinge van paragraaf 10 (2) (d) wysig om die daarin gespesifiseerde bedrag te verander; en

(j) die bepalinge van paragraaf 11 (4) (a) wysig om die daarin gespesifiseerde bedrag te verander.

vir sover bedoelde omskrywing of so 'n bepaling van toepassing mag wees ten opsigte van 'n jaar van aanslag wat na die datum van bedoelde kennisgewing begin.

(2) 'n Wysiging ingevolge subparagraaf (1) aangebring wat van krag is onmiddellik voor die datum van afkondiging van die Parlements-wet wat die skale van normale belasting vir genoemde jaar van aanslag vasstel, verval, tensy die Parlement anders bepaal, op daardie datum, en in so 'n geval hou dit op om vanaf daardie datum regsgeldigheid te hê.

INCOME TAX ACT, 1984

Act No. 121, 1984

(4) Any employer who fails to comply with the requirements of this paragraph shall pay to the Commissioner a penalty equal to 10 per cent of the cash equivalent of the value of the taxable benefit in question or where the said cash equivalent has been understated, of the amount by which the cash equivalent was understated: Provided that the Commissioner may, if he is satisfied that such failure was not due to any intention on the part of the employer to evade his obligations under this Act and was not designed to enable the employee concerned to evade such employee's obligations under this Act, remit the whole or any part of the penalty imposed under this subparagraph.

(5) Such penalty shall be assessable upon and recoverable from the employer concerned as though it were a tax chargeable under this Act: Provided that any refusal by the Commissioner to remit any part of such penalty shall be subject to objection and appeal.

(6) The preceding provisions of this paragraph shall not apply where the cash equivalent of such taxable benefit constituted remuneration in the hands of the employee concerned from which employees tax was deducted or withheld by the employer and such cash equivalent has been included in an employees tax certificate delivered to the employee in terms of paragraph 13 of the Fourth Schedule, except to the extent that such cash equivalent was understated in such certificate.

Annual statements by employers

18. (1) Every employer shall, not later than 31 May of each year or within such period ending after that date as the Commissioner may approve, furnish to the Commissioner a statement, in such form as the Commissioner may prescribe, as to the taxable benefits enjoyed by the employees of that employer during the period of twelve months ending on the last day of February of that year or certifying that no such benefits were enjoyed during such period.

(2) Every such statement shall, in the case of a company, be certified as correct by a director of such company.

(3) The provisions of this paragraph shall take effect on 1 March 1986.

Offences

19. Any person who—

(a) makes or issues or causes to be made or issued or knowingly possesses or uses or causes to be used any certificate referred to in paragraph 17 (1) which is false; or

(b) furnishes to the Commissioner a statement referred to in paragraph 18 which is false,

shall be guilty of an offence and liable on conviction to a fine not exceeding R400 or to imprisonment for a period not exceeding six months or to both such fine and such imprisonment.

Amendments to this Schedule

20. (1) The Minister of Finance may by notice in the *Gazette* amend—

(a) the definition of "official rate of interest" in paragraph 1 so as to vary the rate of interest specified therein;

(b) the provisions of paragraph 5 (3) (b) so as to vary the amount specified therein;

(c) the provisions of paragraph 7 (4) so as to substitute a different scale for the scale specified therein and so as to vary the amounts specified in the proviso thereto;

(d) the provisions of paragraph 7 (7) so as to vary the distance in kilometres specified therein;

(e) the provisions of paragraph 9 (3) (b) so as to vary the amount specified therein;

(f) the provisions of paragraph 9 (3) (c) so as to vary the quantities specified therein;

(g) the provisions of paragraph 9 (4) (b) so as to vary the daily amount specified therein;

(h) the provisions of paragraph 10 (1) (a) so as to vary the amount specified therein;

(i) the provisions of paragraph 10 (2) (d) so as to vary the amount specified therein; and

(j) the provisions of paragraph 11 (4) (a) so as to vary the amount specified therein,

in so far as such definition or any such provision may be applicable in respect of a year of assessment commencing after the date of such notice.

(2) Any amendment made in terms of subparagraph (1) which is in force immediately before the date of promulgation of the Act of Parliament fixing rates of normal tax for the said year of assessment shall, unless Parliament otherwise provides, lapse on that date, and in such case it shall as from that date cease to have the force of law.