

## TAX RATES/DUTIES/LEVIES

### Foreword

The tax rates set out in this document include the rates for the various taxes, duties and levies collected by SARS. While care has been taken in the preparation of this document, errors may occur, and it would be advisable for users to verify the rates with the relevant legislation pertaining to that rate. The rates reflected in this document include current rates as at 15 October 2004.

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SARS

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## 1. CORPORATES

### 1.1 Companies (Standard)/Close Corporations (1)

From	Until (4)	Normal Tax From R1 Taxable income and above	Sur - charge	Trans- sitional Levy(2)	STC (5)	UPT (6)	Effective Rate (3)
01/04/80	31/03/81	40%	5%			33 $\frac{1}{3}$ %	42%
01/04/81	31/03/82	40%	5%			33 $\frac{1}{3}$ %	42%
01/04/82	31/03/83	42%	10%			33 $\frac{1}{3}$ %	46.2%
01/04/83	31/03/84	42%	10%			33 $\frac{1}{3}$ %	46.2%
01/04/84	31/03/90	50%				33 $\frac{1}{3}$ %	50%
01/04/90	31/03/91	50%					50%
01/04/91	31/03/93	48%					48%
01/04/93	31/03/94	40%					47.8%
01/04/94	31/03/95	35%		5%			-----
01/04/95	31/03/96	35%					48%
01/04/96	31/03/99	35%					42.2%
01/04/99	31/03/05	30%					37.7%

**Notes:** (The notes are applicable to all companies listed under par 1.1 to 1.9)

- (1) Close corporations became liable to tax with effect from the 1985 year of assessment.
- (2) To finance transition costs incurred during the 1993 and 1994 transition process to democracy, a levy was introduced. This levy was calculated at 5% of taxable income in excess of R50 000 before set off of assessed loss brought forward.
- (3) Provided all after tax profits were declared as dividends from 17/03/93 and no UPT was payable.
- (4) Rates apply in respect of tax years of companies ending during the above periods.
- (5) See exact dates for STC in 1.2 below.
- (6) Undistributed Profits Tax (UPT) was payable by companies at the rate of 33 $\frac{1}{3}$ % on the amount by which the distributable income of a company exceeded the dividends distributed during the specified period relating to the year of assessment.

### 1.2 Secondary Tax on Companies (STC) (i.e. on net dividends declared)

From	Until	Rate
17/03/93	21/06/94	15%
22/06/94	13/03/96	25%
14/03/96	To date	12,50%

### 1.3 Mining Companies

#### 1.3.1 Companies Mining for Gold (taxed according to one of the following formulae "gold mining tax formula")

From - Until (4)	MINE NOT EXEMPT FROM STC	MINE ELECTED TO BE EXEMPT FROM STC
01.04.1994 – 31.03.1996	Y=43-215/X (Other income taxed at 35%)	Y=58-290/X (Other income taxed at 48%)
01.04.1996 – 31.03.1999	Y=43-215/X (Other income taxed at 35%)	Y=51-255/X (Other income taxed at 42%)
01.04.1999 - 31.03.2005	Y=37-185/X (Other income taxed at 30%)	Y=46-230/X (Other income taxed at 38%)

Where  $X = \frac{\text{Taxable income from gold mining}}{\text{Total revenue (turnover) from gold mining}}$

Y = Rate of tax to be levied

#### 1.3.2 Companies Mining for Oil and Gas

Taxed at the same normal tax rate applicable to standard companies (see par. 1.1), plus an additional normal tax equal to 40% remaining after the deduction of the normal tax. The normal tax and the additional normal tax may, however, be reduced in terms of section 5(2A)(b) of the Income Tax Act.

#### 1.3.3 Diamond Mining Companies

YEAR ENDING	31.03.1984	31.03.1985	31.03.1986	31.03.1987	31.03.1988	31.03.1989	31.03.1990
TAX RATE	45%	45%	45%	45%	45%	45%	See note
SURCHARGE	15%	20%	25%	25%	25%	25%	
EFFECTIVE RATE	51.75%	54%	56.25%	56.25%	56.25%	56.25%	

**Note:** From 1990 no specific tax rates are applicable to diamond mining companies. See also paragraph 1.3.5 below.

#### 1.3.4 Other Mining Companies (other than mining for gold or diamonds)

YEAR ENDING	31.03.1984	31.03.1985	31.03.1986	31.03.1987	31.03.1988	31.03.1989	31.03.1990
TAX RATE	42%	50%	50%	50%	50%	50%	See paragraph 1.3.5 below
SURCHARGE	10%		15%	15%	15%	15%	
EFFECTIVE RATE	46.2%	50%	57.5%	57.5%	57.5%	57.5%	

#### 1.3.5 Other Mining Companies (including diamond mining companies, but excluding gold mining companies)

YEAR ENDING	31.03.1990	31.03.1991	31.03.1992	31.03.1993	31.03.1994
TAX RATE	50%	50%	48%	48%	See note
SURCHARGE	12%	9%	6%	3%	
EFFECTIVE RATE	56%	54.5%	58.88%	49.44%	

**Note:** From the tax year ending 31 March 1994 the rates applicable to standard companies (see paragraph 1.1 above) also apply to all mining companies, other than companies mining for gold.

## 1.4 Insurance Companies

### 1.4.1 Long-Term Insurance Companies – Four Fund Basis

	01/03/98 - 31/03/99	01/04/99 - 31/03/05
Corporate Fund	35%	30%
Individual Policyholder fund	30%	30%
Company Policyholder Fund	35%	30%
Untaxed Policyholder fund: ■ Other	Nil	Nil
■ Administered RF's	Rates in par 1.5 below	

### 1.4.2 Short-Term Insurance Companies

Companies carrying on a short-term insurance business are taxed at the same rate as is applicable to standard companies – see par 1.1.

## 1.5 Retirement Funds (RF's)

With effect from	Rate
01/03/1996	17%
01/03/1998	25%
01/03/2003 to date	18%

## 1.6 Small Business Corporations

From	Until	Normal Tax	From Taxable Income	To Taxable Income
01/04/99	31/03/02	15%	R1	R1050 000
		30%	R1050 001	and above
01/04/02	31/03/05	15%	R1	R150 000
		30%	R150 001	and above

**Note:** See note (4) under paragraph 1.1 above

## 1.7 Employment Companies

- Personal service company
- Labour broker that is a company without a labour broker exemption certificate

From	Until	Normal Tax, from R1 taxable income and above
01/04/00	31/03/05	35%

**Note:** See note (4) under paragraph 1.1 above

## 1.8 Non-resident Companies

### Non-resident companies which trade in SA via a branch or agency

From	Until	Normal Tax, from R1 taxable income and above
01/04/96	31/03/99	40%
01/04/99	31/03/05	35%

### Trusts (other than special trusts)

Date From	Date To	Normal Tax
Prior to 01/03/02	Prior to 01/03/02	Individual rates
01/03/02	To-Date	40%

**Note:** See note (4) under paragraph 1.1 above  
Not subject to STC

## 1.9 Tax Holiday Companies

A company which qualified for a "tax holiday status" in terms of section 37H of the Income Tax Act. Companies could only apply for approval, for tax holiday status, until 30 September 1999.

Period	Rate
During the tax holiday status	0%

**Note:** Exempt from STC

## 2. PERSONAL INCOME TAX (INDIVIDUALS AND SPECIAL TRUSTS)

### Tax rates for natural persons (Individuals): 1995/96

Taxable income (R)	Rates of tax (R)
1 – 5 000	17% of each R1
5 001 – 10 000	850 + 18% of the amount above 5 000
10 001 – 15 000	1 750 + 19% of the amount above 10 000
15 001 – 20 000	2 700 + 20% of the amount above 15 000
20 001 – 30 000	3 700 + 21% of the amount above 20 000
30 001 – 40 000	5 800 + 31% of the amount above 30 000
40 001 – 50 000	8 900 + 42% of the amount above 40 000
50 001 – 70 000	13 100 + 43% of the amount above 50 000
70 001 – 80 000	21 700 + 44% of the amount above 70 000
80 001 and above	26 100 + 45% of the amount above 80 000

**Note:** In addition to the tax determined above, a transition levy was payable at a rate of 1.67% of taxable income exceeding R50 000 excluding section 7A(4A) and par 7 of the Second Schedule payments.

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<b>Rebates</b>	<b>1995/96</b>
Primary	R2 625
Age 65 and over (additional to primary rebate)	R2 500

<b>Tax thresholds</b>	<b>1995/96</b>
Below age 65	R14 600
Age 65 and over	R26 785

Standard Income Tax on Employees (SITE): Level: Net remuneration: R50 000

**Tax rates for natural persons (Individuals): 1996/97**

<b>Taxable income (R)</b>	<b>Rates of tax (R)</b>
1 – 15 000	17% of each R1
15 001 – 20 000	2 550 + 19% of the amount above 15 000
20 001 – 30 000	3 500 + 21% of the amount above 20 000
30 001 – 40 000	5 600 + 30% of the amount above 30 000
40 001 – 60 000	8 600 + 41% of the amount above 40 000
60 001 – 80 000	16 800 + 43% of the amount above 60 000
80 001 – 100 000	25 400 + 44% of the amount above 80 000
100 001 and above	34 200 + 45% of the amount above 100 000

<b>Rebates</b>	<b>1996/97</b>
Primary	R2 660
Age 65 and over (additional to primary rebate)	R2 500

<b>Tax thresholds</b>	<b>1996/97</b>
Below age 65	R15 800
Age 65 and over	R27 905

Standard Income Tax on Employees (SITE): Level: R50 000

**Tax rates for natural persons (Individuals): 1997/98**

<b>Taxable income (R)</b>	<b>Income tax (R)</b>
1- 30 000	19% of each R1
30 001 – 35 000	5 700 + 30% of the amount above 30 000
35 001 – 45 000	7 200 + 32% of the amount above 35 000
45 001 – 60 000	10 400 + 41% of the amount above 45 000
60 001 – 70 000	16 550 + 43% of the amount above 60 000

70 001 – 100 000	20 850 + 44% of the amount above 70 000
100 001 and above	34 050 + 45% of the amount above 100 000

<b>Rebates</b>	<b>1997/98</b>
Primary	R3 215
Age 65 and over (additional to primary rebate)	R2 500

<b>Tax thresholds</b>	<b>1997/98</b>
Below age 65	R16 921
Age 65 and over	R30 050

Standard Income Tax on Employees (SITE): Level: R60 000

**Tax rates for individuals and special trusts: 1998/99**

<b>Taxable income (R)</b>	<b>Rates of tax (R)</b>
1 – 31 000	19% of each R1
31 001 – 46 000	5 890 + 30% of the amount above R31 000
46 001 – 60 000	10 390 + 39% of the amount above R46 000
60 001 – 70 000	15 850 + 43% of the amount above R60 000
70 001 – 120 000	20 150 + 44% of the amount above R70 000
120 001 and above	42 150 + 45% of the amount above R120 000

<b>Rebates (Individuals only)</b>	<b>1998/99</b>
Primary	R3 515
Age 65 and over (additional to primary rebate)	R2 660

<b>Tax thresholds</b>	<b>1998/99</b>
Under 65 years	R18 500
Age 65 and over	R31 950

Standard Income Tax on Employees (SITE): Level: R60 000

**Tax rates for individuals and special trusts: 1999/00**

<b>Taxable income (R)</b>	<b>Rates of tax (R)</b>
1 – 33 000	19% of each R1
33 001 – 50 000	6 270 + 30% of the amount above 33 000
50 001 – 60 000	11 370 + 35% of the amount above 50 000

60 001 – 70 000	14 870 + 40% of the amount above 60 000
70 001 – 120 000	18 870 + 44% of the amount above 70 000
120 001 and above	40 870 + 45% of the amount above 120 000

<b>Rebates (Individuals only)</b>	<b>1999/00</b>
Primary rebate	R3 710
Age 65 and over (additional to primary rebate)	R2 775

<b>Tax thresholds</b>	<b>1999/00</b>
Under 65 years	R19 526
Age 65 and over	R33 717

Standard Income Tax on Employees (SITE): Level: R60 000

**Tax rates for individuals and special trusts: 2000/01**

Taxable income (R)	Rates of tax (R)
1 - 35 000	18% of each R1
35 001 – 45 000	6 300 + 26% of the amount above 35 000
45 001 – 60 000	8 900 + 32% of the amount above 45 000
60 001 – 70 000	13 700 + 37% of the amount above 60 000
70 001 – 200 000	17 400 + 40% of the amount above 70 000
200 001 – and above	69 400 + 42% of the amount above 200 000

<b>Rebates (Individuals only)</b>	<b>2000/01</b>
Primary	R3 800
Age 65 and over (additional to primary rebate)	R2 900

<b>Tax thresholds</b>	<b>2000/01</b>
Under 65 years	R21 111
Age 65 and over	R36 538

Standard Income Tax on Employees (SITE): Level: R60 000

**Tax rates for individuals and special trusts: 2001/02**

Taxable income (R)	Rates of tax (R)
1 – 38 000	18% of each R1
38 001 – 55 000	6 840 + 26% of the amount above 38 000
55 001 – 80 000	11 260 + 32% of the amount above 55 000

80 001 – 100 000	19 260 + 37% of the amount above 80 000
215 001 – and above	72 660 + 42% of the amount above 215 000

<b>Rebates (Individuals only)</b>	<b>2001/02</b>
Primary	R4 140
Age 65 and over (additional to primary rebate)	R3 000

<b>Tax thresholds</b>	<b>2001/02</b>
Below age 65	R23 000
Age 65 and over	R39 154

Standard Income Tax on Employees (SITE): Level: R60 000

**Tax rates for individuals and special trusts: 2002/03**

<b>Taxable income (R)</b>	<b>Rates of tax (R)</b>
1 – 40 000	18% of each R1
40 001 – 80 000	7 200 + 25% of the amount above 40 000
80 001 – 110 000	17 200 + 30% of the amount above 80 000
110 001 – 170 000	26 200 + 35% of the amount above 110 000
170 001 – 240 000	47 200 + 38% of the amount above 170 000
240 001 – and above	73 800 + 40% of the amount above 240 000

<b>Rebates (Individuals only)</b>	<b>2002/03</b>
Primary	R4 860
Age 65 and over ( additional to primary rebate)	R3 000

<b>Tax thresholds</b>	<b>2002/03</b>
Below age 65	R27 000
Age 65 and over	R42 640

Standard Income Tax on Employees (SITE): Level: R60 000

**Tax rates for individuals and special trusts: 2003/04**

<b>Taxable income (R)</b>	<b>Rates of tax (R)</b>
1 – 70 000	18% of each R1
70 001 – 110 000	12 600 + 25% of the amount above 70 000
110 001 – 140 000	22 600 + 30% of the amount above 110 000

140 001 – 180 000	31 600 + 35% of the amount above 140 000
180 001 – 255 000	45 600 + 38% of the amount above 180 000
255 001 and above	74 100 + 40% of the amount above 255 000

<b>Rebates (Individuals only)</b>	<b>2003/04</b>
Primary	R5 400
Additional (Individuals 65 years and older)	R3 100

<b>Tax thresholds</b>	<b>2003/04</b>
Under 65	R30 000
65 years and older	R47 222

Standard Income Tax on Employees (SITE): Level: R60 000

**Tax rates for individuals and special trusts: 2004/05**

<b>Taxable income (R)</b>	<b>Rates of tax (R)</b>
1 - 74 000	18% of each R1
74 001 - 115 000	13 320 + 25% of the amount above 74 000
115 001 - 155 000	23 570 + 30% of the amount above 115 000
155 001 - 195 000	35 570 + 35% of the amount above 155 000
195 001 - 270 000	49 570 + 38% of the amount above 195 000
270 001 and above	78 070 + 40% of the amount above 270 000

<b>Rebates (Individuals only)</b>	<b>2004/05</b>
Under 65 years	R5 800
65 years and older	R3 200

<b>Tax thresholds</b>	<b>2004/05</b>
Under 65 years	R32 222
65 years and older	R50 000

Standard Income Tax on Employees (SITE): Level: R60 000

### 3. TRUSTS

#### Tax rates - trusts: 1995/96

Taxable income (R)	Rates of tax (R)
1 – 5 000	17% of each R1
5 001-10 000	850 +19% of the amount above 5 000
10 001- 15 000	1 800+21% of the amount above 10 000
15 001- 20 000	2 850+24% of the amount above 15 000
20 001- 30 000	4 050+28% of the amount above 20 000
30 001 – 40 000	6 850+36% of the amount above 30 000
40 001 – 50 000	10 450+41% of the amount above 40 000
50 001 – 56 000	14 550+42% of the amount above 50 000
56 001 – 70 000	17 070+43% of the amount above 56 000
70 001 – 80 000	23 090+44% of the amount above 70 000
80 001 and above	27 490+45% of the amount above 80 000

**Note:** In addition to the tax determined above a transition levy was payable at the rate of 1.67% of taxable income exceeding R50 000.

#### Tax rates – trusts: 1996/97

Taxable income (R)	Rates of tax (R)
1- 5 000	17% of R1
5 001 – 10 000	850+19% of the amount above 5 000
10 001 – 15 000	1 800+21% of the amount above 10 000
15 001 – 20 000	2 850+24% of the amount above 15 000
20 001 – 30 000	4 050+28% of the amount above 20 000
30 001 – 40 000	6 850+36% of the amount above 30 000
40 001 – 50 000	10 450+41% of the amount above 40 000
50 001 – 60 000	14 550+42% of the amount above 50 000
60 001 – 70 000	18 750+43% of the amount above 60 000
70 001 – 100 000	23 050+44% of the amount above 70 000
100 001 – and above	36 250+45% of the amount above 100 000

### Tax rates - trusts: 1997/98

Taxable income (R)	Rates of tax (R)
1 – 5 000	17% of each R1
5 001 – 10 000	850+19% of the amount above 5 000
10 001 – 15 000	1 800+21% of the amount above 10 000
15 001 – 20 000	2 850+24% of the amount above 15 000
20 001 – 30 000	4 050+28% of the amount above 20 000
30 001 – 40 000	6 850+36% of the amount above 30 000
40 001 – 50 000	10 450+41% of the amount above 40 000
50 001 – 60 000	14 550+42% of the amount above 50 000
60 001 – 70 000	18 750+43% of the amount above 60 000
70 001 – 100 000	23 050+44% of the amount above 70 000
100 001 and above	36 250+45% of the amount above 100 000

### Tax rates – trusts (other than a special trust): 1998/99-2004/05

<b>From</b>	<b>Until</b>	<b>Normal Tax</b>	<b>From Taxable Income</b>	<b>To Taxable Income</b>
01/03/98	29/02/00	35%	R1	R100 000
01/03/98	29/02/00	45%	R100 001	and above
01/03/00	28/02/02	32%	R1	R100 000
01/03/00	28/02/02	42%	R100 001	and above
01/03/02	28/02/05	40%	On each rand of taxable income	---

**Note:** Special trusts: Refer to paragraph 2 (rates applicable from 1998/99)

### Tax rates – Personal service trusts: 2001/02 – 2004/05

<b>From</b>	<b>Until</b>	<b>Normal Tax</b>	<b>From Taxable Income</b>	<b>To Taxable Income</b>
01/03/01	28/02/02	32%	R1	R100 000
01/03/01	28/02/02	42%	R100 001	and above
01/03/02	28/02/05	40%	On each rand of taxable income	---

#### 4. VALUE-ADDED TAX (VAT)

<b>From</b>	<b>To date</b>	<b>Rate</b>
30/09/1991	06/04/1993	10%
07/04/1993	To date	14%

## 5. SALES TAX

Before the introduction of VAT, sales tax was levied. The rates were as follows:

From	To date	Rate
03/07/1978	28/02/1982	4%
01/03/1982	31/08/1982	5%
01/09/1982	31/01/1984	6%
01/02/1984	30/06/1984	7%
01/07/1984	24/03/1985	10%
25/03/1985	19/03/1989	12%
20/03/1989	29/09/1991	13%

## 6. TRANSFER DUTY

**From 01/04/1980 to 18/03/1992**

**Individuals (natural persons)**

Consideration	Rate
On the first R30 000 of the consideration	1%
On the amount that exceeds R30 000	3%

**Note:** Exemption applies where the:

- Value of property with dwelling-house is R1 - R30 000
- Value of unimproved land on which a dwelling-house will be erected is R1 – R12 000

Where the value exceeds the above amounts, the exemption falls away. (With regard to trusts see notes directly before paragraph 7.)

A person other than a natural person, 5% of consideration

**From 19/03/1992 to 06/04/1993**

**Individuals**

Consideration	Rate
On the first R50 000 of the consideration	1%
On the amount that exceeds R50 000	5%

**Note:** Exemption applies where the:

- Value of property with the dwelling-house is R1 – R50 000
- Value of unimproved land on which the dwelling-house will be erected is R1 – R20 000

Where the value exceeds the above amounts, the exemption falls away.

A person other than a natural person, 7% of consideration.

**From 07/04/1993 to 31/03/1999**

**Individuals**

Consideration	Rate
On the first R60 000 of the consideration	1%
On the amount that exceeds R60 000 but not R250 000	5%
On the amount that exceeds R250 000	8%

**Note:** Exemption applies where the:

- Value of property with dwelling-house is R1 – R60 000
- Value of unimproved land on which a dwelling-house will be erected is R1 – R24 000

Where the value exceeds the above amounts, the exemption falls away.

A person other than a natural person, 10% of consideration.

**From 01/04/1999 to 28/02/2002**

**Individuals**

Consideration	Rate
On the first R70 000 of the consideration	1%
On the amount that exceeds R70 000 but not R180 000	5%
On the amount that exceeds R180 000	8%

**Note:** Exemption applies where the:

- Value of property with dwelling-house is R1 – R70 000
- Value of unimproved land on which a dwelling-house will be erected is R1 – R30 000

Where the value exceeds the above amounts, the exemption falls away.

A person other than a natural person, 10% of consideration.

**From 01/03/2002 to 28/02/2003**

**Individuals**

Consideration	Rate
On the first R100 000 of the consideration	0%
On the amount that exceeds R100 000 but not R300 000	5%
On the amount that exceeds R300 000	8%

A person other than a natural person, 10% of consideration.

**From 01/03/2003 to 29/02/2004**

**Individuals**

<b>Consideration</b>	<b>Rate</b>
On the first R140 000 of the consideration	0%
On the amount that exceeds R140 000 but not R320 000	5%
On the amount that exceeds R320 000	8%

A person other than a natural person, 10% of consideration.

**From 01/03/2004 to date**

**Individuals**

<b>Consideration</b>	<b>Rate</b>
On the first R150 000 of the consideration	0%
On the amount that exceeds R150 000 but not R320 000	5%
On the amount that exceeds R320 000	8%

A person other than a natural person, 10% of consideration.

**Notes:**

- Where a property was acquired on or before 18 July 1995 under a will or a trust for the benefit of a natural person, the rates applicable to a natural person applied. In all other cases the rate applicable to a person other than natural person applied.
- Where a property was acquired during the period 19 July 1995 to 31 July 1996 under a will or trust and the trustee was a natural person, the rate applicable to a natural person applied.
- From 1 August 1996 where property is acquired via a trust (whether or not the trustee or beneficiary was a natural person), the rate applicable to a person other than a natural person applies.

## 7. STAMP DUTY

Stamp duty is levied at the following rates (current rates only):

### 7.1 Debit Entries

For every debit entry posted to a cheque or credit card or any other account from which a payment or electronic transfer may be made to another account	20 cents
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**Note:** Specific exemptions apply

### 7.2 Instalment Credit Agreements

Where the amount (inclusive of interest and finance or other costs) –	
Does not exceed R5 000	R 2
Exceeds R 5 000 but not R 10 000	R 4
Exceeds R 10 000 but not R 20 000	R 8
Exceeds R 20 000 but not R 40 000	R 16
Exceeds R 40 000 but not R 60 000	R 24
Exceeds R 60 000 but not R 80 000	R 32
Exceeds R 80 000 but not R100 000	R 40
Exceeds R100 000 but not R130 000	R 50
Exceeds R130 000 but not R150 000	R 60
Exceeds R150 000 but not R180 000	R 70
Exceeds R180 000 but not R200 000	R 80
Exceeds R200 000	R100

### 7.3 Leases of Immovable Property

For every R100 or part thereof of aggregate rent and any other consideration —	
Period not exceeding 5 years	25 cents
Period exceeding 5 years but not 10 years	40 cents
Period exceeding 10 years but not 20 years	55 cents
Period exceeding 20 years	70 cents

### 7.4 Marketable Securities

#### (i) Original issue of shares, stock/debentures

For every R20, or part thereof, the nominal value and any premium payable thereon (if transferable only by registration)	5 cents
If made out to bearer for every R20 or part thereof of the nominal value and any premiums payable thereon	20 cents

#### (ii) The issue of a certificate or other like instrument representing an interest in the shares, stock/debentures

If not transferable or only by registration for every R100 or part thereof of the price of issue	5 cents
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If made out to bearer for every R100 or part thereof of the price of issue	20 cents
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(iii) **Registration of transfer (other than through a stockbroker)**

For every R10, or part thereof, of the amount or value the Consideration given or less than the market value is given, the Value of the marketable security transferred.	2.5 cents
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(iv) **Cancellation or redemption of company shares**

For every R10, or part thereof, of the value of the consideration	2.5 cents
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(v) **Acquisition by transferee from transferor**

For every R10, or part thereof, of the amount or value of the consideration given , or where no consideration is given, the value of the marketable security transferred	2.5 cents
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**Note:** Specific exemptions apply to each of the items (i) to (v) above.

8. **UNCERTIFICATED SECURITIES TAX (UST)**

Uncertificated securities tax is payable in respect of the issue of, and change in beneficial ownership in, any listed securities at the rate of 0.25%.

9. **SKILLS DEVELOPMENT LEVY**

From	Until	Rate (i)
01/04/2000	To date	1.0% of payroll

(i) Payable by employers registered for employees' tax (PAYE) or employers who have an annual payroll in excess of R250 000.

10. **UNEMPLOYMENT INSURANCE CONTRIBUTIONS (UI)**

- (1) Current contribution rate of 1% to be made by the employee based on remuneration.
- (2) Current contribution rate of 1% to be made by the employer based on remuneration.

11. **WITHHOLDING TAX ON ROYALTIES**

**Years of assessment commencing on 1 July 1961 to years of assessment commencing before 1 January 2001**

30% of the gross amounts of "know-how" payments are subject to a withholding tax at a rate applicable to standard companies. In terms of section 35(2)(f) of the Income Tax Act a taxpayer is entitled to claim a refund if the tax deducted from the royalty income was in excess of the tax properly chargeable in respect of income (total taxable income inclusive of the royalty income) received by or accrued to the taxpayer.

**From years of assessment commencing on or after 1 January 2001**

Payments to non-residents for the use of certain property in South Africa are subject to a final withholding tax of 12% (or a rate determined in a relevant agreement for the avoidance of double taxation) in respect of amounts received or accrued for the imparting of any scientific, technical or commercial knowledge, commonly known as "know-how" payments.

## 12. CAPITAL TAXES

### 12.1 Capital Gains Tax (CGT)

#### Individuals (and special trusts)

From	Until	Annual exclusion	Inclusion rate	Effective tax rate if marginal rate is applied
01/10/2001	To date	R10 000	25% of net capital gain	10% (from 2003 tax year)

#### Trusts

From	Until	Inclusion rate	Effective tax rate
01/10/2001	To date	50% of net capital gain	20% (from 2003 tax year)

#### Companies

From	Until	Inclusion rate	Effective tax rate
01/10/2001	To date	50% of net capital gain	15%

### 12.2 Estate Duty

From	Until	Deduction	Rate
16/03/1988	13/03/1996	R1 000 000	15%
14/03/1996	30/09/2001	R1 000 000	25%
01/10/2001	28/02/2002	R1 000 000	20%
01/03/2002	To date	R1 500 000	20%

### 12.3 Donations Tax

#### Donations Tax Rates

From	Until	Rate
16/03/1988	13/03/1996	15%
14/03/1996	30/09/2001	25%
01/10/2001	To date	20%

#### Donations Tax Exemption

From	Until	Exemption
16/03/1988	29/02/1996	R20 000
01/03/1996	28/02/2002	R25 000

01/03/2002	To date	R30 000
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**Note:** The exemption above applies to a natural person. Persons other than natural persons are entitled to make gifts during a year of assessment not exceeding R10 000. Previously, the casual gift exemption was R5 000 before it was increased to R10 000 with effect from 1 March 2002.

### 13. CUSTOMS DUTY

Customs duty is levied on imported goods, and is usually calculated on the value of the goods. Refer to the relevant Schedules to the Customs and Excise Act, 1964.

#### 13.1 Anti-dumping and Countervailing Duty

Anti-dumping and countervailing duties are levied on goods considered to be dumped in South Africa or on subsidized imports goods respectively. Refer to Schedule No.2 to the Customs and Excise Act, 1964

The above duties are either levied on an *ad valorem* basis (percentage of the value of the goods) or as a specific duty (cents per unit, kilogram or litre). The level and type of duty imposed on a product is subject to the following main criteria:

- The value of the goods (customs value); and
- The tariff classification of the goods (tariff heading)

### 14. EXCISE DUTY

Excise duty (based on the specific quantity or volume of the product) is levied on certain locally manufactured products and a specific customs duty equal to the specific excise duty, is levied on the imported counterparts. This duty is levied on certain items such as tobacco products, liquor products, petroleum products and hydro-carbons.

*Ad valorem* excise duty (based on the value of the product) is levied on certain specified goods such as television receptors, audio equipment and on certain cosmetics.

#### 14.1 Some Important Excise Duties

**The following are some of the important excise duties levied from 18 February 2004:**

##### (a) Alcoholic products

Products	Duty
Malt beer	7,82c/li
Sorghum beer	34,7c/kg
Spirits (average)	4583,65c/li aa
Sparkling wine	323,32c/li
Fortified wine	232,87c/li
Unfortified wine	117,10c/li

##### (b) Tobacco products

Products	Duty
Cigarettes	226,40c/10 cigarettes
Pipe tobacco	6832c/kg net

(c) **Fuel Levy (excluding Road Accident Fund Levy)  
From 7 April 2004 to date**

Fuels	Rate of Fuel Levy
Petrol, leaded and unleaded	111c/li
Aviation kerosene	free
Illuminating kerosene (marked)	free
Illuminating kerosene (unmarked)	95c/li
Distillate fuel (diesel)	95c/li

**14.2 Ad Valorem Excise Duties**

Gaming machines, vending and office machines (including fax machines and modems) and TV sets	7%
Motorcycles (200 – 800cc)	5%
Firearms	7%
Perfumes	7%
Video equipment, hi-fi equipment, optical lenses and photographic/cinematographic equipment	7%
Motor vehicles (sliding scale)	Max 20%
Fireworks	7%
Air conditioning machines	7%
Refrigerators/Freezers	7%
Dish washing machines (domestic)	7%
Microphones and stands	7%
Magnetic tape recorders	7%

**Note:** The list is not exhaustive.

**14.3 Air Passenger Departure Tax**

**From 1 November 2000 to 30 June 2003**

- (a) Passengers departing to Botswana, Lesotho, Namibia and Swaziland, R50 per passenger.
- (b) Passengers departing to other international destinations, R100 per passenger.

**From 1 July 2003 to date**

- (a) Passengers departing to Botswana, Lesotho, Namibia, and Swaziland, R55 per passenger.
- (b) Passengers departing to other international destinations, R110 per passenger.

**14.4 Environmental Levy**

Environmental levy is levied at 3 cents per bag on articles for conveyance or packing of goods, plastics, stoppers, lids and other closures of plastics.

- The Environmental Levy must be treated by a vendor for VAT purposes in the same manner as *ad valorem* excise duty levied in terms of part 2B of Schedule No.1 to the Customs and Excise Act.
- The method to be followed is that the environmental levy must be added to the price of the goods supplied and VAT must be levied on this total price in terms of section 7(1)(a) of the Value-Added Tax Act.

The effective date of the Environmental Levy is 1 June 2004.

14.5 Export Duty	Rate
Export duty (not imposed)	Zero

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