

DRAFT

GOVERNMENT NOTICE

No. R.

April 2020

MINISTER OF FINANCE

NOTICE IN RESPECT OF METHOD OR FORMULA FOR PURPOSES OF DETERMINATION OF AMOUNT FOR PURPOSES OF PARAGRAPH (b) OF DEFINITION OF LIVING ANNUITY IN SECTION 1(1) OF INCOME TAX ACT, 1962

I, Tito Titus Mboweni, Minister of Finance, hereby prescribe that, at the election of the annuitant, from 1 May 2020 to 31 August 2020, the amount referred to in paragraph (b) of the definition of “living annuity” in section 1(1) of the Income Tax Act, 1962 (Act 58 of 1962), may be determined to be not less than 0,5 per cent and not greater than 20 per cent of the value of assets referred to in paragraph (a) of that definition, irrespective of the date on which the living annuity contract was concluded.

TT MBOWENI

MINISTER OF FINANCE

Date:

Please forward written comments to the National Treasury's tax policy depository at 2020AnnexCProp@treasury.gov.za and Adele Collins at acollins@sars.gov.za by close of business on 28 April 2020 .

DRAFT

GOVERNMENT NOTICE

No. R.

April 2020

MINISTER OF FINANCE

**NOTICE IN RESPECT OF AMOUNT OF VALUE OF ASSETS THAT MAY BE PAID
IN LUMP SUM FOR PURPOSES OF PARAGRAPH (c) OF DEFINITION OF
LIVING ANNUITY IN SECTION 1(1) OF INCOME TAX ACT, 1962**

I, Tito Titus Mboweni, Minister of Finance, hereby withdraw all previous notices issued in terms of paragraph (c) of the definition of 'living annuity' in section 1(1) of the Income Tax Act, 1962 (Act 58 of 1962) and prescribe that the amount referred to in paragraph (c) of the definition of 'living annuity' in section 1(1) of the Income Tax Act, 1962, must be an amount of R125 000.

TT MBOWENI

MINISTER OF FINANCE

Date:

Please forward written comments to the National Treasury's tax policy depository at 2020AnnexCProp@treasury.gov.za and Adele Collins at acollins@sars.gov.za by close of business on 28 April 2020 .
