No. 58, 1962.]

Please note that most Acts are published in English and another South African official language. Currently we only have capacity to publish the English versions. This means that this document will only contain even numbered pages as the other language is printed on uneven numbered pages.

# To consolidate the law relating to the taxation of incomes and donations.

(English text signed by the State President.)
(Assented to 25th May, 1962.)

# ARRANGEMENT OF SECTIONS.

#### PRELIMINARY.

#### Section.

1. Interpretation.

## CHAPTER I.

#### ADMINISTRATION.

- 2. Act to be administered by Commissioner.
- 3. Exercise of powers and performance of duties.
- 4. Preservation of secrecy.

## CHAPTER II.

#### THE TAXES.

#### PART I.

#### Normal Tax.

- 5. Levy of normal tax and rates thereof.
- Normal tax rebates.
- When income is deemed to have accrued or to have been received.
- Certain amounts to be included in income or taxable income.
- Circumstances in which amounts are deemed to have accrued from sources within the Republic.
- Exemptions.
- General deductions allowed in determination of taxable income.
- Deductions in respect of machinery or plant used in a process of manufacture or by hotelkeepers.
- Deductions in respect of buildings used in a process of manufacture or by hotelkeepers.
- Deductions in respect of ships.
- Deductions from income derived from mining operations.
- Deduction of expenses incurred by dentists and medical practitioners on post-graduate study courses.
- Deduction of expenses incurred by manufacturers in appointing agents outside the Republic.
- 18. Deduction in respect of fees paid to dentists, medical
- practitioners, nursing homes or hospitals.

  19. Deductions and set-off from income derived from dividends.
- 20. Set-off of assessed losses.
- Deduction of amounts payable by way of alimony, allowance or maintenance.
- Amounts to be taken into account in respect of values of trading stocks.
- Deductions not allowed in determination of taxable income.
- Hire-purchase or other agreements providing for postponement of passing of property concerned.
- Income of beneficiaries and estates of deceased persons.
- 26. Determination of taxable income derived from farming.27. Determination of taxable income of co-operative
- societies and companies.

  28. Determination of taxable income derived from insurance business.
- 29. Taxable income of public servants.

## Seel/an.

- P rson-s car r')'.i'.ng on business whie'h c tends beyond the Republic:.
- Determination. *ot* taxabtc income of certai.n plllr.sons lmyi,n.g or :5eMimg 0ommoditics:,
- J.2. Assessment in the case of \$Ubmarin.e cab e or wkcles.s
- man.a,ged or eo ntrolled m ttb Replibhc
- 34. Assessment of persons not ordinarily resident or r Kd. man.aged o.r CCIIUM -d in. the Republic l!!!io dtri incomc. from tilm bu.'smess.
- As!>!!!ssment of persons not O'l'dwarlly residem:t orregi;ste:red, managed on conktiUed in the Rq,ublfo who de.rive income from royalties or :simifll!r pa
- 3.6, Calcutlufon of rede:mptio.n allowance ruid unredeemed bafaaoe of cap.i ffil cxpe.n.dih1te in. oonneotion with milling operations.
- 37. Calc: ulalifon. of capital c-xpendituce: on change or o'\Mlcrship of mimnig property.

# PART Tl.

# Special Proof /si(Jttl re/ming IQ O»npanlts,

- 38. aassi6catwn Or companiq,,
- 39. Redetermination of oompant s slattut-
- 40. Objectioni and ap peal.

# P'ARr lll.

# No:n-R ulrknt Sbardiokkr.J" T'2.l'.

- Levy of non-resident shareholders' tax.
- Income subject to tax.
- Person liable for tax. 43.
- Recovery of tax.
- Rate of tax.
- 46. Determination of tax if company operates outside the Republic.
- Date of payment of tax.

## P.A.II.T IY.

# l rlbutedProjir1, Tax

- Levy of 'Mdistril:iut proJits Eal and rate thereof.
- Definitions for purposes of this t.
- Ass mer t of undistributed profits Wt.
- S | ial pro'-i'i; sions to apply 111 genain cases.
- Objection and a ppcal.

#### PART V.

# Donations Tax.

- *54*. of dona:tiOos, tin.

- S:5. D clinidon's for purposes 0£ this Part. 561 EMm;il!O.!li.
  '57 Do.na:tion.5 b.v a wife or by a body. Do.na:tion.5 b,y a wife or by a body ioorporot .tl the
- whallce Or any person.

  :S'S. Property disposed of under certain trar.isacuou «kelHed to fiave been disposed of under donations,
- 59. Persons liable **rM** tax.
  60. Payment and ass:css01e.1tt of tax.
- 61. Enclision of score after p, w, visions of Act for
- 62. Valoe of propmy disposed of under do nation s.
- 63.. ObJectfon and appeal.
- 64. atic of dontu ons u-x.

#### OHAPTER m.

#### GENEFUIL PROVJSLONS,

# PART 1.

# Returns.

## Stttkm.

- 6S. Retill1rns to be in *torm* prescrl:b-cd by Commissioner.
- 66. Notice by Commissioner icquirins retu.ms for assessment of taxes u:ndtr thls A.ct .aind mann r of rqrfllishiDg ic:turns and hrteri:m return
- fi1. HaH"yeam retmns by person.s eagaged in go!d minmg:. 68. b.comc: of niarricd women and minor childrell.
- 69. D1:lty to futnh:h ret111rns as to emptoyees, their earnim,gs other mallcu.
- Dility-of com.panies t.o t\irni:sh nlu,ms Ret.urn of paymomts · u. J'CSpect of bearer war-rants. 71.
- Rewrn as to sbu:cho!d:iltlgs.
  Duty o:f persons su.bmiUmg accoU!llis: ju support of returns. or preparing aoco11UlilS for other persons.
- Production or documents and mdem::e ,o .n oatll.
- 75. Penahy on default.
- 76. Additional tax in event of -default or omm on...

## l' RT If.

## AJsmm:ents.

- Assessments and recording tkmreof.
- Estimated 3\$&'ISSme.nts..
- 79 Additional a:sscs:smcn:ts.
- SO. 1:n ectron ofrooord ofas:sessments.

# PA.RT .Ill .

# Objec to m and Appeait.

- SI. Time and manner of lodging olb)otion.s.,
- 82.. Bn-rden of prioof ns co e emptions. deductions or abatemmt:s.
- Appeai to specfaUy cons.lituted com t a.gairut Com" missioner's decision. 83.
- 84. Sum mo:n.iQg o.f witnesses and pen.aU.y for nttel'ld&nee.
- 8.\$.. CoJite.mpl of Special C, urt, 86. Appeail bi q111 tions of w.
- MemberS of cowts not ditiqualified from a:dljudicating.
- 88. P:arme.nt of tax pe-lilding appeal.

#### PART TV.

## Payment alld Reco ery of Tax..

- 89.. App,oin:tme.nt of day for paym.ont o.t tax:.

- 90. Per s ons by hom normal tax payable.
  91. Recovery of taix.
  92. Correctness, o,t ass nt camnot be gu tio.ncd.
  191, Collection of taxes wid r ar rangeme.rus made under \$1eClion 108.
- 94. Evid'.eirice as to ass!S.smelllts.

# *l':Ak.T V.*

# Repr:uentahve 'f'axPflyers.

- 9S. !Liability of rc:p:re&entath,,c ta:xpa r. 95. t of rcsentaCi\.lc taxpayer, to
- 95. t of resentaCi\.lc taxpayer to indemnity. 97, Peroo11a!l iiability of represG.nta;tive taX!)a yer.
- 98, Company regarded a:s a gent for absent :shacdiolder.
- 99. ?o weir to appoint atent.
- 100. Rem es of Commissiomer agail:nst agent, or trUS'l.u.
- UH. Piublro omcers, of oo,mp,ames,

#### PART VJ.

#### Miuell neou1.

SecJi<u>'</u>tm.

m2. RcJ:uods.

- 103. Tra.nsactions, operait on eschemes for purposes of avoiding or pos1poning liability .for or ndu.c:i g amounts Or mes om income.
- 104. OJI'en.ocs and penalties:
- 105. Jurlsdictiolll ofcou:rb.
- 106. Author:ticaticm a:nd servwe of documents.

10:... Regnfu.tio:ns.
108. Pme,ttion or or tiGlief from double taxationi

- Prc1,1ention of or reLid from double taxaiiio,n in the 1M. Republic a:ndl South We-st Africa.
- 110. Determination of increase in scale of taxation ror pu oses of cemio! s or the right ro mine ror 10|d!.

Repeal 111.

112. Short title and cor.llm.e.rr-elDc.nt.

#### FIR.ST SCHEDULE.

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#### S.ECOND SCliiEOULE.

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#### THIRD SCHEDULE.

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- (iil) "benefit flmd" mcus--
  - (a) any friendly society refjStercd under *tb* Friendly i,etics Act 1956 (Ai:L No. 25 or UP56)• or
  - (b) any flC1Dd ,...hich is. 1101 so registere:d solely becau,c of the provisions of par-agtaph (1) of sutHection (2) of seetioJli two 0 the Said/ Act; or
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  house keeper wh meals 8lld S:lcqdmg acrommodalfor are supplied to others for money or its
  equipmy mut if well fragren is the helder of a license. equmv.mut, if sucl!f person i:s the hold:er of a licence issued U:JJ.der the provhio.ns Of Item 4 of Part I of Ute S ond Sclle:dulQ to the L. Act, 1962, iin res:pect of that busiin.c.ss, and btclu:cles iin rt.spect of any year of <u>a\$SCS51lle,nt</u> any person who Is aot a hold,e.r of sucl1 a lfoenc;e by reason of the fact that tile: bu!Jdin in wh[cll the business | carried on, h fl | 111 | ilie, CO|U'S!!i Of ||lifet:tJ(|J| Qr CXtcJ|;Sively renovated or that the provision.s ot | !Jlption l) | the ||3.|d. ||Lt!U appl)r? ff c | Commiss.io er IS salisied that during ffi.e Immewaldy SU a.g year of as to such further period as h may ror good reawn allow, the gross receipts from too.t business wiU be or couM be expected to be in cxocss. of two thou.sand rand per aooum; (ui)
- (xiii) "'inQoniii:i" :m :Uie a!llolInt remaii:ning of the gross inoome of any pe n fbr any year or period of asi!Wmc.nt .-ner deduct:iPg tbetcfrom ruiy am<ina ts e icm.pt fr.om norma[ tax under Part I of Chapter **n**: (XJtii)
- (xiv) "local auth.oriayn means .any divisional coune t ruM:l oouodl, mWlic.ipail cou.ucjf, town vi!flage management board, hc, 1Hh committee o:r scll:ocd board o.r any di:strict c-01mcill or any Jocai or era oou;melt established or de!!med 10 ba.ve 'bce: n established under the Native AO"airs Act, 1959 (Act No. 55 of 1959), and indudes: the Itand W31tc.r B:oa,d: (;caii)
- (xv) matdcd'' includes joined together in, a llnion r'UOg,nized as a marriage in acoordam:ic witth any taw ustom, and • husband", • wife" or 'spouse shall be construed a(1001din,sJ)y; (x.vi)
- (xvi) "married perr,,on" means any person who
  - of "b ich any m essment s made wa:s :inair:ri or was a widower or a widow; or
    - (0) dor..ing the whole of su;cb period was divorocd or secpru-akd under a jmficia[ order or written agr- ment. and who is crlltilled to any deduction in t ot a chitd 1.!lnder paragraph (c) of subscolion (1) of scctl0,11 six (xviii)
- (xvii) "mining for goM• or 'to mine for gcld" incb:nf!S IQining ror \U'ttnium or to ntirm for uranium; (xviii)
- (xviii)' mining: opora:tions•t and mb'ling" | incklde every method or prll'QeSS 'by which wj)' minera! is won flom the soil o:r from any su:bstaocc or oonstitt1cnt Uleu:-
- (xix) "new d tp level soM mine" means any ne\v ,gold 111:inc i.n respect of whi:cil-
  - (a) the Governor-General, int Stat Presidenit or the .Mi:mster of Min0:S has after the lhiriieth day of Julle, 1955 oo. 'lhe mcommendation

- of the- Mini: Ilg Lca:, es & ard signified ii.o Mi.ting bis decisian. to grant a. le-ase of the rig.ht to i:n·n:c for gpld; aodl.
- (b) t!he Govern:lii.eJlt Mining, Engincu is: satlslied :ha.t, at the llimc lb.c decision. Co grant the lea:se was signified the principal object was. to 11111nc gold bea.Tlog mes bnli.e:v,ed to enst within lite. lcaise area a.t. depths bclow a vertical depth of S!Wtll lhOUSa[lld fiw hurtdnl:d fctt from. the surface; and
- (c) the Govem1t1ent Mming .Engineer is at, the time tfl:e decision to grant the Jesse 1s .signiaod, of lhc:opi:nlon that a period of late. It a. St seven years will cJap from the date upon which sllaft sinking excavations comme.nec to the date of deep!tvel productioa;; (:u,vjil)
- (:0.) Mw ld ntimG" means an i:ndependent wo1bble poposition in Mirespect of which the Covern Olings neral.
  - after the twenty gbth day of hmary, 1946, On Ole randle on of the Mioblg Leases Board significed in writing his decision to grMt a. [ea of the right rn junific fbt gold. a,ad in.dlldcs any oldm' gold mine which. in the opinion of the Go\!ernmell't Mining En.gi.nccr, is an independent worbbl pioposition w'Irldl wais. established as such after 'Lhe sai:d date; fmx)
- (xxi) "Oll:hcr deep Jc of gokl mmC:" meains any prodecling gokl mitte. (o e.r than a i:,;ew deep level gold mine) id ff\$\psi\_s(x)\psi'\delta \text{ of' whfoh} o'!! Oavemment Mining iE ngineer has upon application made to Jum. rec<1giuzed that its prind\_pal object is thB; mining: of gold be in gores at vertical depths: e:xooecliug 5e'lltm thousand five hWl.dred feet. firol11, tile surface OJ'.ld i,i :res-poc;, f which he, is s tisfied, a.t time the application is Eodged Willb him, that intm:ng at .such d 1ltk.s has commenced. or wild M commenced within a period or fi'V\$\psi\$ years; (v)
- (n:ii) "pen-5ion fuml" means a iupcr.mJJua,tlou, pension provident, wido:wS" or orphans' fu.:nd established by law alld an:)' fond (odi=i: tba.n a relirement annuity fw1d) not 1?-lis bylaw which is approved by the Commlss10:uer in respect of the of assessment bt question: Provided. that the CO'mmiss:ioncr may app ove a fimd subject tq such limitations or i;:onilitwlils. is he mat detUllbnc\_ od sha.H :a:ot a pprove a. fund in re pect of any year of as-ressment unless &e is i;n respect or that year of assessment satisfied--
  - Ca) that the fund is a pennaP!\Jt fund bmlil fl.d« established for lM purpose of pr,ovjding annwties for loyees on: mitemen-c from. Gmployment or for wid.ows.l chi idren, dependants or nominees, or deceased emplo ormainly for the said purpelse and! also tor lhe f,WJJOSC, of ptovjdiog beJtefits other than annuities forr lbe persons afo:resa:id; and
  - lb) that the tmles of the fund prov
    - O) that all annual contributions of a rull.ffent nature to the fulld shall be jn accordance with ipe,cffied \$cole:s;
    - (iij that mern.bc:mhip of lbe rlUld thronghQl\lt t!00 perj d of employmenit shall be a condition of the em (oym\_Gn:t by the empl9YCf Oran -;er ns of e cta:ss or classe:s specifie:d therelo who em.er his employment. on or after lbe date upon which the fund c-0m:into operation;
    - (iii) that persons who imnm:Jiate)y prior to the safd: date WCl'e employed by the lQJeir nd who oil the said de:t<:: fall withm the sail ol!ass or clus:es m\_ay on aipplication mid.a Within a period. Of not more than twelve months as from the said date. be lJ e.i-mi'tted to become members or the fond on tilicli coruliticms as may be specified in the ruleS:;

(iv) Thu not more than oine-tbird of the total value of tlle aiu:miicy or aMuiitics to wblch any employee becomes cndtled, may he rommuted for a single payment, extejlt where Uie annual amount of S'l!Ch anntHty or a11ffl.!!it !!iOt " sixty JilJld; (v) for the admifiistral ion or the tood m such

a manner ais to preclud: the: cmpl!oyer in the case of a local authority, from control-U!J!lg the management m- aaets of the und and from deriving any monetary ad mtage rrom moneys paid illtO or out of the fu:nd; and

(vi) tl:ult the Commissioner shall be notified! of alil am, endm ents o.f the mres.; and

the rules of the fl.:111d have bem: CO!trrpllcct

witll; I'.)
(:00ii) 'person' includes (be, estate of a dece:a sed person; (xxxi)

(xxiv) ""p:rcscd d" means prescribed or deemed to be prescribed by or undll4: this Act.; (xxxvii)

'(:,av) .. pwvjdent fundu m-can, any fund (other than a peruion fund, benefit fund or refuemimt annuity fund) which is approved by the Commissioner in uspeci of th ::,re.ar of assessment io question: f'fovided That lbe Commi oner may approve a fund subj.e(::to s,ich limitations or conditions as h may deecr... mine, and Sibal! not appr..ove a fund r:n respec;t of any year c,f assessment un[m h c is. in rffp,ect of

thra;t ,car of aisses.smc:nt sattmed-(a) that th!!: [Will is a pelimanent fund /Joll a fide. es1n.blished: so[cly fo:r the purpose of pro,vjdfa1g bemm[S for t mployees on ret:irern1!nt rrom Jloyment or sole[y for! he P)!fPOSC of providing benefit for WJdow,s, cibnarent de pendants of 1:1011UJWe\$, of deceased e.mploy, ees or deceased former employees or solely for .a

combination of such pe; rposes and (b) that the .rules of the fimd contain \_p l'"Ovision.s. sii:nila.:r ii.i , **au uspc ts 10 tflo rcqwr** l'O be c;o.n.uu cd m tlle rules of a penston fu:nd m ter ms of mb-par.lgra pbs (ij, (iij. Qii). (v) and vi) of pa:ra.giraph {b} of tile de:lhlltlan of "pemaon fu:nd" a pard fu;nd"• ,and

(c) th.at (h\_ roles. 0 the fund have becA CQmplied. w!Jth (xxxviii) (xx.vi) "regulation m.ea.ns a: r-\$g-U.lation .in force un.der this Act; {xxxiii)

(uvii) ••r J)resenitaihwi taxpa.. means--.

(a) in rflpeot of (lie incom cf a comp.azy, the public. officer thereof

(b) in -mpect of the mcome. IUlder his management. disposition or ,oontro[,, the 31gent af any pe-.rson, includin,g an as,e.nt a(?Pointed as s,ldl under the prowsion:s CII secuon 11 Inet; y-n ine-; and for -r'.be purposes of this para.yaph the rte-rm i'a,gent'" b1cl1:1d.cs i/f/VCry person in the llepiubtic having the :fecei,Pl, management or control of iinoo:me, 0,11 befia.lf any penon pennanentlt o,r tern. any penon pennanentlt o,r tern.. pomrily absent rrom. the Republic or mnittl.ng of paying in, come to or recelving moneys for :such person

(c) in m;pcct or income the subject or any trust Or in respect of the income of any minor o:r mentally disordered or d.cfcclivc person or any other per so n ull<!u legal disabU'ity., the tntstee,, gwi;rdia;n? curator or other person entitled to the r lpt., manage.JtWn •. disposal CORtrol of such moome or r.em,m.ng or J1ly111g lo o.r rc«.ivin\_g mone)ls en behalf of such person under

disabiUty

in peel of the me pail! under he decree or order of any court or judge to any ra,e:i,,,er or other persoa, such r=\'er or person.J who-(d) in ever may be entitled to the bemdi.t of such income:i and willthef or nol it. aocrae:s to any pe,son on a con ng;ency or an uncttltain event:

(e) i'n respect of the income ivod! by or accrued to any deca.std person during bis li:ietim.e and the in-come recci.ved by or acc;me:d to the estate of any deceased person. tM excellto or .admhi"strator Of the estate such d person.,

but notibiing in this dc6n:itron sh.all be cOMt.rued as re., ievidg .my peno.n from .any liabili:ly, r nsibility (xx. viri) but the property appropriately by the same (xxxxy) fund (other thill a pension flmd provident fuiw 01 bc. iii Juch is. approved by the C0mm 1SSJ:onr Jn of the )'¢.ilr of assessment ·n question: Provided es that the. issioner m approve :a fu:nd i!!!11bJe.ct to :such t1mitations or condmoris: as he may derermlne. and shaH not app rove any fund ful po:! of .amy yenr of assessment unless he is in respect, of that year of a:srllCcs-:smcn,t sat1sfied-

s. pimnarnml' fun:d bona fide lhc ro!e putp0se 0 l)llOVidi.ng (o) that the fl.ind is. l)llOVidi.ng for life a:mwi es for dle memben;, of th fwut or annuities for the widows eibildrem, dependants or no:m:llnccs of de<ieeased mem.bers; and

(b) diat nil= :rules of the fund proiyjd

themembers (ij for pcdodical\_fOntribt!i aJJd fo:r additional contributions made, by liVily of transfer of nwnbcrs" iBJtCl'eSIS iJn appr-oved pen.sioa fu:nds. providen:t fund!i! or other retirement annuity funds;,

(ii) that not more tb.a!'ll one-thud of the. to aJ valll'C of any annuilies to which any pmon lbecom¢5 enlitkd. may 'be COJWmlllti!{I for a liOBle payment. except whe:r:c the unual amoiunt of such .mn'iJiLils d'oes not

siXty mod;

(iii) (bat no portion of any annuity payable to the widow childl d;epend nt ot 110:mm.ce of aid sed member may be commuted alc.r than six moritis from the dat.e of lhc

death of such member; (iv) adequate security to sa&, guaril the ir, terests of pc:rso115 who may become eDCtUcd fo

IIJmUil!ies.j

(v) thal no member shall become. t\$titltd ro 'tlll, p aymeD;t of any annudy after be reacms the age of ;RVe;ny years or cept in the case of a member who become.s p:rlllffllCot[y i.n.capabk tb.foqgh iiD/6rmHy of ml!lld or body of cail'f}'ing on his ,occ pation before he reaches thic 8,g(: of fifty. five years,

(vi) that wh before he be,. a member comi;i;S entiUoo to the payment of an annuity, the benefits shall no exoced a refund to his estaie or to his widow. J tltldrm, dependants or nomlnccs of ttac sum of the amO\lii'its (with or wil,hout rei.s<mab)(II interest. thereoll) contribute d, by hl:m and an annulty or annilliiras to his widow. crulllieo, d.ependarits: or mommccs

I that where a mr:m ber dies after be heas becomt e,ntitl;d to an annuity no tbrthcer benefit shaH be payable other than an almuity or .mnu Hies 10 his widow ch.ildren,.

depend: ams or nomine:a;

(viii) that the SUim of tbt anmi"tics payable 10 the widow eld1dren dcpc:nda:nts and nomlnees of a degree mi:mbe:r who was in **li** ipt of an anniliity at the time of bis aath sJiiaH not e. tile amouint or that all11i11Uiity:

ftx) that a member's cootribluions :shall cease as soon as he: becomes c'otitled! to the pay.. men.t of an ammity;

00 that a member who dfsc.om:inues: hls oi,n,, mbutions prematurely sh.aH be entitled either M an annuity (payaible £Min the date on which he wcrllltd have become ectil?ed to the I!)ayme:nt of an annuiity if he had cantmued his comributions) deter.. mined in rebtmn to ms actual conut butions: or to be reinr, iated as a full member under condiri®S prescribtd in the ndes of du; fMd;

(xi) that upon the winding up of the fund a member's interest therein must either be 11:1 to puirchiuc a pollcy of raMC

(vii)

whic,h the Commissioner is satisfied. provides bene-Jits: simjfar to those provided by uch t\md or be paid fb:r rb:e m.eliii •s efit into another approved retirement 11.nnulty f:und;

(:tll) that saive as is coolemillated in sub-parapaph (iii). no member s ghts to benefits shall be capable of sim end oommulation M assignment of Of being pledged as security for any loan;

(;l.iu) that the Commission sba[l be notmed of all a.mendmenu of the rules; and (c) t&at the rldes of the fund ha:\lti been OOJDpli«l

(nix) "sc:ienillie research" otea.JJJS any activity in the iicld of lJlatura[ or applied science for the extension of knowledge: {:ax.ix) tuxl ••smi.rcholmr11 in rda:lion to any company, means

with (ux.v)

tuxl ••smi.rcholmr!! in rda:lion to any company, means the. registered s.ha1thotde,i• in rcspat of .:a:p.Y sll;u:e:. except that whem some person other t an the registered sh.m:lwtder is eatided wh=the:r by ;,irtuc of a.ny Jrn.>Wsio.nt i:n the memo, ndum. oir aitides of asrsoelaion of the company or under die terms o:f any ayccm.cn:i: or c.ontli'act or otherwise. to au or part of t'hc ben.c.llt. of the rlQhts of puticlpa.ticm. in lhe proJirts o. income alfaCihing. to die share so regisw.r«! , SUch otlltr pel on shall, to die cXit.ent fha.t he s. cn:titled to such lits, ailso be deemed to be a shareholder; (i)

{xx:a) "'i pecilied date.. in respect of ny year of a sment, rmean! I the tbi1!!ctb day of JW1c. m, if lhe returm: of any ii:ompaJJy are u.nder th= proviso to su1,...s.e,ct!on (13) of section rixty:s& accepted in fflpeGt of a period endmg on some of her date. su.ch other date or, in, the case of any eol"!pa y whic.b has been rq irxt lo. fornish ioterim 31CC:OWIts in tenns of sub-section (4) of that sxtion the date up 'to whic:b such & OCOWilits have been 1:enderxt (x)

(xuii) Mtax\_" or "'the tax" or • raxatioa'" ms any hwy

or tax !evfah[e ooder this Act; (viii)

i(nxUi) Hta:xable inoome means the amount remainfog aft"er deductilng from the iPco,me of :my pmon all die anwt1111ts. Uowed to be ,dmucled or set off UJ:!.der Part I of Chapttt ll; (vii)

(xxxiv) | daxpa | me.ms any person cb3l geablo with any mx. te viable und this Act and, For the porposes. Of any provision rda:ting to any return, includes every son required by this Act to furnish such ,ctu.rn: (ix:)

(xxxv) ""tbis Aet" includes !he regU:latio.os; (X:()

i(nx:vi) .. trade'• includes evory proQ\ssi Wide., busi cmploymen:t, ca.Jling. occupation or thre, including tile letting of any property and tbi!I use of or the nt of permission to use any patent as defined in the Pat b Act, 1952 (Act No. 37 of Mt.52) or any dCSIIIJ.. track mark or oo\_,pyriibt as definCd in the Designs, Trade Marks and Copyript Act, 1916 0,ct No. 9\_ of 19H) or any ther J:!111.lper y icb IIP the opi n1QA & Commissioner 15! of a Similar nat\!lre; (vi)

(x:avij), "tmdiing stodt•t iin.cludes anything produtedi., m.allllfacw r d. pu;rebased or in any other manner acquired by a set foputp(lses of manufacture, sa.Le or excba:nge by hlm or on h is behalf. or the r f.r-0m dispo\_sal of hl h forms or wlt form part or his groa lncomao (:wt)

(::axviii) .. tn!s •, in addition, to every per n appointed or constituted as :such by act of \_pmfcs by wilt, b1 order or declaration of court or by operation or tiw, im:ielndles an exea:u.or or :administration; tutor or curntor .md any pmon having the administration or cont.roi of any property .subject to a trust. U! l, fideieommiss.um or other limited intell'lm or aotQ[,g in any fid1!1ei capacity 01 having dtll.sr in a priq,te or in a:n official capacity; tibe possession direction, control or management or 311. Y rop df of any pe11ion under legal disabllitY:i (XX>UV)

m.o((n.hs in :respect of which any tax ot duty levia.b!c under d'lis Act is char blc.. ii)

#### CHAPTER I.

#### **ADM™trraATION**.

- 2. (1) The Country oner shall be uspon sfble for carrying Act. or be o:i:it Die pirovi'Sions of this Act.
- (2) A no1kc in the Gaz!  $\{e$  that any pcm> has btffl appointed 1hold olline as, Comillimoner for mla:nd Revenue or to act i.n (b\_at capacity, sbaU be conclusive evidence of sue-&. a\_ppointment without far er pxoof.
- 3. (I) 'fh.C pawers co:nfur and lbc du imposed upon lhueis the Comm1s.s. nser by or under the prorioru of this Act or any aimendm!!At thereof may be exercised or performed aulles. imposed upon lhucise or ce, of by the Commissioner personally, or by any pificec enga,eed in canym : out the said provi ors under the control J direction or su,porv1s1.0n oif the Commisstoner,
- (2) Any dcc:i:siolil made and any 1Jotice or communication rs:nied 01 signed! by 1u:1y sn,ch offfoe.r !DEIIY be withdrn:wn o!I' amended by the: Commissioner or by the officer oo.no-elllcd. and Slha! I fo.r lhe piw"J)OSC"S of the said p:ovmo.ns, until "t bas been so withdrawn, be deemed to have been made. issued or signed! by Qi,e, Commissioner: Provid d that a decision made by a.my such offteizr iin the threise of any d1sctctionary power under the provisions of this. Aci or of any previous Income T Act shaU not b withdrawn or amend after t e 1-:rauon of two yean from the date | f tke wnttm notific.!!Con of such decision or of the Mti:,ee of assess meat giving effect diereto, if all die maihrrial facts wer-<, known to h said o:ff"W whea be ma:dc h"s decisi.0111.
- (J) Any writtin decl.sioo :imcfo by the Comm.nisslo:ou per-.son.ally in the e isc of any discretion ary power under the pror! islo III Of this Act or of any previous Income Tax Act sbaU not be wit]ulm.wn O'f 3.Dle.nderJ. by the Conunissio 11sr if ,1U the mat t facts were known Co him when he made his. dcdsl:on,
- 4. 0) Every person employed in can-yi!Qg: out the provition or sio.ns of is Act SIIIa pr r'I/! and atd in MCsem ng secceey with re!:Drd to an matters that may oome to his btowJcdgc ht the performn of bil duti.e:s: in cowi.ec1ion w:ifh **tli** pro vwons, and :shaM not com; mllln foate ai:iy such m aitter to any :pman whatsocvor C?ther thao the taxpaye! ccnccr.ncd OE his lawful represe'IllatilfC nor suller or perm tt anr S1tch person to have access to any records in the possess1:on or clutody of lhG COmmissio.ner c.x;oep:t in liie perfomiaiitco of hi! duties unde, r. this Act or by o der of a compe, n C?urt: Provide: d that any mionneation obmmed by toe. Co.mm.11s o.n« in the ;,erformance of his duties Wlder the pr-ovisions of this. Aot: or any previous foc:om.e Tax Act D13.Y be- us by him for Ilha: purp00es of ma proV!is.ioos. or any oniu ti.scam raw ad mimstre-rcd lhy.himi: !Provided f\m.ber that llfie Co.otroHcr and Auillto.r-Ge.ne:ral :shaU in the performanoo of b.is. oolties i.n tel'fflS of sub-soction ft), of section ek"en f the Exchequer and AllIdit Act., 19:56 (Act No. 23 f 19\$6), hav, aoess to doclme11ts in the possession or custody of the Commissioner.
  - so employed s afl. before acti g (1) (a) Every under this Act. take and subscribe before a mag1sl!l'ate or j1;1sticc or the pea.Qe, such oath of fidelity or :secrecy as may be prescribed.
    - (b) Ain.y oath of secrecy takeJt and subscribed. under the provisions of any prevfol.l!S In(:Qm-e Tux Act by any person who -is criiployed in ca:rryi.ng: ou t Ille provisions or t'h.is A<:,t sl:ian Oe deemed to be an oath laken andl subscribed in terms of this sub-section.
- (J) E FY person who iri cc:ntrave.ntion of th.c provisions. Of this section or of the tole intent of the oath of lidelity or secrecy taken by him. and without Jawt\d e.xeu.sc; r any maUcr or ming which has oom-e to lltils knowledge in the course of his offiifal d)ulie,s to Din¥ person whatsoevu or &offers or pc,mtits any person to he.w access to any rccqln;ls. in Ul.c possi:.ssion or custody of lhe CommissioDijlr. sball I» gui]ty of an ofuce and Ji-able: o:n conviction to imprisonment for a period not exceeding two yea.rs.
- (4) Any person who acts in the execution of hls Office before he has taken the pre, Scribed 1 a:th. shall be euilty of ao offenoe and liable on conviction to a fine out exceeding fifty ralld.

#### CHAPTER D.

## THE TAXES.

# PART I.

## Normal Tax.

S. (1) There shall be paid ann ty tor the btn lit of the Cotisiolidawd RevCllu: FImd, an income Iaj (in this Act reof nonnd aad f11 ferred to as the normal tax) in m:p t of the taxable inoom, c mtn:o.r R'Od\led by or accrued to or in favour of, my person d111rins the year *Ot* assessment e.ndi"g lite thirtieth day of JWJ.e 1962. and each s di;ng year of i liSIIIrAAt.

(2) The: rates of tax charge ble io respect of each yi• of

- assessmeDJt shall be :fixed .1110'ua.Uy bl Pi.uliam.cot but the rates fixed by aoy Aot of Pariia.ment o res1ect of any\_year of assessmen:t shall be deemed to oonttrue m force otil tho next suclt detennin alion or mus and hall be a:pplied itr the eurpose of calcula:ti,ng the *m* payable m re:spect of a.my taxable lnoome re.ceiiv.ed. by o:r accrued. to or in :facvo r of a01 person duclo.,g th:e nCJ:.t s coding :yta.t ot wessrwmt if, in the ,o pm:ioc of the Commission.er, the ci!!lcufation and coUll!Otfon of the tax cha.rp]):1 [n respect of such taxable income cannot witbout :risk of [ of 1n1e be postponed UIIIII] a fter tllc rates fo:r that yea have been datumined: Provided t:bat atlet the :ne,;t such dat uulti '(!!! of rata an:y t.i.x paid in. pursuance of such ioterim ap:plkatio:n mal!! lbe adjusted in acoordanoc with such subscg11ent mtcs, any amou ts paid in. |!!..'lcess being refunded a:lld any amoUtn:ts short-paid being recoverable ft rJmi the taxpayer conouncd.
- 6. (1) Save as 's otfle:ewisc provided in this Act, the 1; c shall, No: IU jathe case of a person of her than a lixempany; be dcd cted r from the arnou.nt of tax payable under section JI

(4) iQ the casi, of a mamed pen on, the, sum of siny! two rand;

(b) in the 1 of a pm.on other than a ma.tried perSOu.

(c) the snm 0 rorty-s ram:I; (c) in r.spE.CC of h child or st.cpcbild of tin: taxpayer

who was alive:: dlurjng aiu p,oruon of tbc year of assessment for which the assessment is made. and

- () on the lut day of that y, car of wtament Was umns:rricd and, was n:o-t,or would not had he lived !bavc been over tbc age: of eightetn years, or, if he was w:OotJy depend.eat for his 111illltonance UIIO.D the tax payer o'V'Cr tib.c age of twenty,, one years; or. if h! was wholly d!!pemdent .for bis maintenance upon lie mx payer amd illnc Com. missioner is sati:d.tdi that he was a full-time student at aa edu:catfom.l fo.stituil:ion Of a. puMic chameter, our the age of ttwenty-fo.ur years;
- (ii) j!l the e; or any other child or :ncapac1tated by mc.ntal or p&ystcail infumilty frnm maintaining himseJf and was, wholly d pcndcmt for- his ma ntenanec upon the taxpayer, the sum of tbirty,,foll!t r.md: Provided tut where tile taxpa yer is cM.imd to, a deduction in nspecc of more than two clJjldren in terms *pf* this para... graph, the deduction to be alloW& iD respect of each, child iin excess of two shall be t,hlrty-Dil!!ie mud: Provided further that a parcent who bas n ... divorced or separated umier a Juliem oroer or writlen asice,... ment shall not be allowed the, deduction to respect; or aey cbHd bom of the marriage: which has been dissolved by thu order of divor,ce or to which tht order o: ag:reement. of :separation u:la:t mess he has maintained sucll cmkl during such period and the cost., of SIK:b maintenance has not in terms of section l1t1enQ1-<>>1e been dtCJtucted. &om his :imeome;

(i) premiums paid by such person. dllrm,g the year (lf !!ssc:sffle'!!t UJIOIQ policies. | u:nd wmclt be or bis wife or nny chldrn or stepeml:cbe:n ref ton para.graph (c) is or an: in\$\ll'Cd again.st: daath, accident or sicmi::ss;

,(d) in respect of-

- (ii). recs,, sl"!ba.criptiQos or cootrHtillQt"1'S paid by him duding that year to a1C1y provideot fund m-be:m:fit fund (other I!han a bc!DeJit fund referred to in para.graph (a) Of section eighteen); aad
- (iii) oontrib11tiiou made by bimi durin; th,d year as an employee t-o aey fllml establishe.:d um!.

  a:my law in force in t,he Republio rclaiti.og co lincmplo yment imontnce,

sum equid to se:ven. pet \_ceQ:t of die amou!!,li: FQ m respect .of such premlums, fees, su cnpllons or co1:11lribu.tioas. in tbi:ii cakulatlon of wru'.cb. s" a fradiion <1f a :rand inclt1d in the am.our.it so \_paid shall be :regarr:-d;id as a completed rand,. and subject to a maximum dedllCtioo of seve,:nteeJJ: ra11d: Provided that mo allowance sbaU be made in \_res in innmm:e UDdcr a paliey of motor ins:urance, nor under Euly other policy if (he am.oun:t1llaid \_, premium for such 0th.er policy ln,as been. :illow.ed as a deductton from tho jnco m.e of the taxpayt,r under the provisiOns of section eleve,1;

- (e) in respect of ea.ch de:J:>Eodaint the sum ,of six rand and
- (f) in l'CSpccl of ally one or more dependants who arc proved to the satisfaciiom of the C'ommissionu t,o ha e beo.n wholly dtpeodeot for tbeir m.e.i'ntena.nc-e upon lhe taxpayu. a rurttu:r sum or sixteen mmtll irccs.pec'livc of the number of su depe!!idaots.
- (2) In any case in ,vhich the perfod assessed is less than ,WM ,m.onths, the dedl om allowed ullder par,igrapful: {a), {h). c). (e) and (/) of sub-s! tlon (l) shaill be sile b amou;nts as beat to the run amount of :the r peotive dedtactiODS provjded for under the said pa.ragrap'lls, Ute same ratio as the period! assessed bears to twe,l'\(\frac{1}{2}\) c JDonth.s, uniless, in the case or an, such period: termia:aibq: at the dleath of the la;tpayer or commenchlg at the deatl1 of tille spo 0 the taxpayer. the Commissione.r in the specjaJ ci:reum stan o s of the case othe:rwiis,e directs.

Dotwith Le come shall be deemed to ba"t accrued to a person When income by J&md or olhuwise: capitalacd by b m or t:hat such income 3 r to has not boon actually paid over to him bl!lt remains due andi rece.ind. paiyaMe to him or has betn credited in account or reinvesmd a accol.mnd!!ited or capitalized or otherwije dealt with in his ntmli! ot on. Im b!ilalf, and a complote stawn cot of a such income shall be included by any person in tile: rewms: rendered by hin11 under this Act.

- (2) Any in COIDIC received by or acorued to or III favour of n woman married with or toat o, mml! lnity of property and not Sl!parated from. her hm:band wder a 3ud.lcl order or written a nt of se, parntion sbaH ho detmi:, d for th purposes of this Act to be iacome: accrued to h,c;r h usband.
- (1) Income sha.111: be deemed 'to have been received by the parent of any mimn: child, if by l'ea, so:n of my dona tion, settle. merit or other disposition made by that parent of that child-
  - (a) it has been rocci:vcd by or bas ac:ctu£d to or in favo1:11r of that cMd ol" has been elitpe:nded for the m,:,:iotenance ¢d,nc tion or bc:mdit or that chih:l: or
  - (b) it has beco accumulted for lhc benefit of that ch.ild.
- (4) An:f incoil!l received by or accrued to o:r dil fav our of any trunor cMd of a!lily person by roasora of a:11:, d onatl ot1 settfomsent or 0'111.er disposi tfon m:a:d.e by any other PefSOII, s.haH be deemed to be: the income of the pa:relllt of such nunor cbil:d, if such paR:nt or his spolmi has :made a do:na ion, settleme:lu or 01lher disposililo:n. or given ,-ome 01her consi:deration ia Cavour directly or indirectly of the said ather pers:oA o:r his family•.
- (S) If any person has in any deed of donation seuremenc 9:r othe:r djs,positjon made a :sliP.Ufatiom to the effect (hat the b liciarles hlllrair or some of tbc-m s.hall not receive the income or some portion of the illCome Ulereunder until tho ha.ppcnmg of S?mc cvcnl· whither fixed or contlige:nt, so much of any moome in swould bill fot such stipwaiting in consequence of the don:atlo seittJeme!ilt or other disposition be received by a raccrue to or in favour of the beneficiarles,

sbaU, until the happonrng of tliat event or the death of that penoo. whichever lirst t;ikes place be deemed to be the illicome of tliat: .c I'SOD.

(6) If a:ny dl?aed of do:n.:ation., :seUle;in nt or other disposition cout-ail!!S. any stipubtion lhat the tigh.1: tto ncelve any income thereby coDferced may, uoder powers rel incd by die pen oo. by whom tllat right tS co.nferRd, be revoked or comk.n:cd upon a.a.other, so :much of any income as in c-on:sequ:e,:ncc of the dooat ioo, sxflcm.cnt or odter disposition is rvcd by ot accnc.s to or in fuvour of the pewon on whom that nght is confened s,hall be deemed to be 'lte focoro.e of the pmon by whom it is conferred, :so kmg a:s he retains tbO£e pGW(:TIS.

Som a wowa ccy of advon to a lifector, any certain, mount. I or oth rson life respect of ctpc of travet. mu.Me llxm:me. Jieg,, eotertai.nmeot or ollber service, as the Commissioner is not:s atisfi.ed. was: actually c,::pendedi by t.he rce.ipicm on slilch travelling or entenainnum, tot in the performam:::e of , such service, sfhoJll be deemed to be pare of the :uurnible i.noomc of the recipic,nt.

- {1) If, mthin the period of ten years from tile date ,o:( the award 'by any company of amf bom,lis: s heres which in terms oc paragraph 00 of deftn:i on. of "divid nd." in sectioDi one or the correspollding provisio.ns: o.f 3DV p ious Income Tax Act did Dot raokas a ai videlid any sh oran, asset is gtwn to aoy sbarcboldtr of that continuity in coneql:linee of the ii quida tiol.1 or. reconst:ruetion of the company or the partial nilletion of its share capital, like taxable income of rthe coon.

  P'ship shall. subject to the provision of sub--s oll (3) be: deemed to includ
  - (i!l) :in Cihe c;l.se of the reconstroction of t!bc company or thsc partial reductiom of [ts shan ca pital!, an .amount s »ail to **the** mm of the .amoural of any such C11Sb and the value of any such asset, but not exceeding: the nomioal vawe of sucb bon.u.s shares (cxch:iding any such shires awarded om; of share premium aicco,un.t).t aad
  - (i) in he case of the liquidation of the compaoy, if the Commissioner is satis:6.ed that \$11.Ch Jiqillidation is bona fide a nd was oot broo, gbt about soleiy or mlinly for the purpOM, of aw:>idmg filabillity for the un.der this sub-secdon... the amount by which tbll sum of all the amounts of a:ny such cish and the: v.a[ue or aU such assets so given to shardlolde.rs (In so fur as that amount does not the nominal value of the bo:nl:1S .shar-es so awarded to sbar,eho!de, cix:luding any such sha:res a w.arded out of share premium count) a xoceds he sum out the pi<J-up capital and the am.ount standin,8: to the cttdit, of s'.liam p.temiUPl ount of the 1;0mpaJO' immediately prior to the com.rnencem.ent of the liquiidation the ClImpany, or, jf the Commissi,ooer is not so satisfied an amount determine 4 as provided! in paragraph (a)

determin.e4 as provided! in paragraph (a),
(l) (a) The provisions-, of sub-\$00ti oB. (2) aru.111 not apply where any cash or assot r-derud to there-im Is p'Vffl-

0) in respect of any class- of redeemable shai::e capital is the bdorc Ul.e:Ont daf of 10ly, 1957 in pursuance of special provisons prescl:ibed beforce UMI.'t date fru the repayment of such inspitals are

icapitah er (d) in mpe« of any class of redeemable share ica:pita \*ss;ued on er ftcr the fifst day or July, 1'957, for the rq,ayment of which specLal p:ro-vis:0118 are oon1ain in the mcm.onndum. and ar:licle:s of association of tl:1e com.pooy, if the holders of the e:qwty sbare capital of the company Wilre not ei.1.M£ lit the tim.e. of th\" award of such bonus shares or at any time thlm!iftcr sba:ro-h.olde.ri in that class of .mt eemable share capitaL

(h) for the: ptirp-Oses of sub-secdon (2) 'pa.id up capita]" means the nominal value of the paid-up capital, e chlding so much of the nominal value of any booUllil sI1:u;c.s as did not rank as o dividend in terms of patagraph 00 of die delinwoa of "dividemi" in section one or the corresponding provisions of any p.revfous I'n.come Tax Act,

- (c) The decision of th1 Commissioner in the exercise of bis discretion und,er sub-section ,(2) :shall be subject to objootion a:nd appeal.
- (4j (a) Therie shall be ind u.ded in the taxpayer's income all amou,nts allowed to be ded1leted ,or s1:t off 11mdet tile J)l'Ovision of section-s eleven to .tweaty. inclusive, except J?iltapaphs (k). (p) and! (q) ot section el WJn., s\'Jb\\*secuor.i (2) af .s tio:n Mel or the said S\'llb, sectioR M applied by sub,sectio:n (3) ,of that seolioa. or sub-section (S) of sectioo t';it'leen, o.r under th
  - nding pro sioas of any plleYLOUS Incpmc Tax he, whether m the current or ai!U' prevtoUS year o assessment, which have been recovewl or uc:oupcd during tiltti clmemt year Of asstss:mmt.
  - i(b) :Tr any 3::mou\_Dlt referred to i i:ii; :ea;:ragra.ph. (a) of this s11tb-\$CC't10111 n; an amount which has been recoured or re:couped during aoy year of assesS.llLe'nt by a pemm reforred to in paragraph (c) of section *nfne* as a r;esuh: of llile 105s, saile or disposai in any iother ma.oner hy that person of a 5WJ>. i:nil if d1111t pers.oo satisfies the Commissioner tbat-
    - O) he W.M within a period of on,e yeat or such lon,gcr period! as Ute Com.missioner irt the c.ili\'c:um,-stancc:s of the ca:sc may allow) after the ead of that yMr of a.s.sessment con.elude. a contract for tllfj acquiliitiph by him of a ship to replace the a:fo:rcsaid s:hlp;
    - (il) such ship will be used &y h:im for the purposes of his: trad,cl for a period of not l:Css than leo yea.rsj: and
    - (I.iI) such sltl.P will be a isliip bl :relation to which th:e prov1s.ions ot paragraph (b) of scclion/ourtU'l'll wil a.Jply and wiii oont.in\lie to apply for ithe said peuoa of aot l'.css than ten years,
    - the said ampu.nt :shaUl motwithsta:n.ding a.nylmng to the oonuary co:n(a]ned in p:n:agraph (p'), but Sfdbjoot to the provisions of paragraphs (t:) and {d} Dot be :included fn the iII00Dle Qftha.t. pel'\$0n tor the afousaid year OI a ssessmen,t.; but shal be inch.ldm in hni income tor tbQI pu:iod of to eliding On the date of hit di:ath. insolvency or liquidationi (in the case of .a. oom:pa:n.y), as the case may be.
  - (c) Wiihin thf: ee mo• after the end OI the: year of ass JDW dluing which B!llf Imolmt aforesaid has been recovered or rt: by Um pe tson conomtied, theilie mu bt dtpoait\$d the said penoo with the Public Deibt Commiss: o-nem for &lichi d and a such cond. iciions as may be approved by the Commissioue.r an amoU111t equal to tile amoiunt which has be, en so recovered or recouped tess such am.mmt, if any, as has fu ate meantimebeen paid by the said penon in r.espect of die: collt price of such :it,-men.tionedl. sbip.
  - (d) If owmJ to any oci:lrrence (otller than the many the said person of such las.t:f!!etU:iO d ship) or because of a; cm;u:msta:iwc arin ng dunng any year of e:ot preQC'ding the pc,riod of assc.ssm"ent bires'pect of which any amo'iliU would im. terms of tile preceding provisions any previous lmcome Tax Act be requind to be be defined in the day provisions of the taxpayer to the Commimoneds no longer sa'tisfied ini regard to tile ma:ttm, in rewd to whit!h in t.erms of the preceding proviswn.s of this. sub,.sscr:ion iilll is recquired to bill sat'islied, tihe said amo:i:11!!t shall be included in tie f.mo.we of the taxpayer for the year of assessment dudQg whfoh saoh ocennance takes p:late or such cireumstanoe arfaes.
  - (e) If any amount which was di::dnctro l!lnder p,uasraph (c), of section eleven or stib. Hclion (1) of section twefe or the said \$Ub-s«, fion a.s. a p;pl'''ed by sUJIHection (3) of tba:t section or the-correseponding provisions of a!Dy previous In, oome Tax Act in respect of mal; hinery o:r plant which was u, sed by the taxpayer di'. rectlly in a p sofman u turo, or directly in a:nyother process cam:ed oo b1 him oo or atle:r the fifteentm day of March; 1961j whichin the opiruon of the ComJmiss.i cn ur was: of a simila:r natUITI:, bas as a retitil of dE11mage or desturcuom by watn or fire (h-cre:inafte:t referred to as

"the n1") been recovered of recouped during any year of 3\$\$JCSSJMCIIt, andi :if' the iIBXpa)'tt satisfi.es the Cor.ru:ni!i\$lou

- Q.) that he OO.:S concluded or wiH Wiithi:n a JJfflOO of one r (or such Jon,sn period as 'tlte Commissiomer in the draJnU'tal fs of Uie case Il'iay at ow) rrom the date C}f tihc !V!,nt co:nclll.de a contract for tihe acqlliisiEon by hjm or forther new or unu;s;e,d ma.cltin.ery or pLa·nl: (hi:mnafuru:ooed to as the "'fu.r(her machfDel'y o:r plantH) to rep.lace:: the aforcsafd macshinccy or plant; and
- (ii) that the further rnachiacry or plant has been or will be brought intio use, wiU-.in a pmod o.f three years from the date of the e., ent alld wiH be used by him directly in a pli(I(less of manufunure or. a.A.] otlwr prooeH whteh in the opinion of the Commi.ss.ionei is of a simllar aatlll'e, for a period of not less tha Q. five yealS ot until Cihe rurlheet machinc:zy or plant is sempped or disposed of jn the o:rdiiruuy course of 'lhc: taxpayer's trade plrior to illilo expiry of snch plidod or fiv, yeais

the said amount: sihaD nofwfthstandmg the: provisions of p:ua graph (a) of this sub-section. not be iinclu.dcd in the income of the taxpayer for Ule aforesaid year 0 aw:ssment: Provided tha: if. owing to al:1y occurr um: ot because or any clr Uimiffln-ce atfaimg during a )! year! If a.&c1||&\$1||eD||: the Commissionc:::r is no lon r satisfied HII regard to the:: matters in regard to which n 1 crms of tm: pmcediin. pr;oviiion.s oftb:is paragraph he is required 1 io be ans ed. the said amount shall be incJu:d.cd 1n the il1come of the-taxpayer tor: the ye.it of auessrne:rrt. du.ring which such oocuniemoe ta cs ptace or such circ:umstaioec arises,

If as a result of the Joss, some or disposal in anry other manner 'by the taxpayer of the further machinery or plant referred to in pangmpb (e) thm: bas accented to or has bee:n. realived by the payer an a.mount im excess of the cost thett'Of less the amount: m& rred to in tile said panigrap!! so mlllch, of t, the cx as does lilled contected su Jast tion!d amount hau (s such l,\a: montioned amount has: been mduded m in c:: in terms 0 the preovise to dlesaid pua g; apb) be deemed ro have been recovered or recouped and sbaU be included in the taxpayer's income tilbrethe rear of assessment during which, such furthe, reary or pbmt was so test, sold or disposed of !n addmon to any recovery or recon: lpment u: femd to ln po:t3;gr3pbJ (a).

m

(5)

- (a), Any amount which has been paid, whether iii tha form or rfllrl or othi; rwise,, by any person for the right or use or occupation of 11.ny mow bit or tll!!movalble property and bas been a'llowed as a dedudio in the feetermation of such pm; oD's taxable ll:!eome, and whicili or the equivaloot of whi'Ch is: upon the su&!Ie,, QJuent w;:qui:sition of such property by tllat or any olhCl' petson applied in ttdlu.ction Qr towards s:ettfe::menit of thei purchase price of such p:roipffly, s.twl be iacluded. i:n the tm:::ome of the penon | b)| whom lhe, pro y i1 acquired as afolicsaid for t!he year 0 :assessm!:J!lt m which such per n exercises the option o:r co.nchldes the a cementi as th(: case may be in n.seq; uucc of which th111 prepmy is acquired. by him,,
- (b) Where :an5 amo1,n:n has bee!!!! paid by any person fior fhe :right of !!!se Of occupad on. of any proptrt:y which. les thucafler aoqmttd hy t!hat or any other p=10:n for a coiu!Clcration which. in the opinion of the Com. misiioner is not an adequate occusidention: it shaill fOF the purposes of paragraph (a) be deemed, unless the Commissiolter hmng lie,gard to the circumstances of tile case otherwife diedesthat, or so much thereof as does and ex the dJflell:lice between the fint m,atk; tv.a.hle of Suebi property asdeleremiRCd by tht Comer and amount, or so much thereof as does and ex the dJflell:lice between the fint m,atk; tv.a.hle of Suebi property asdeleremiRCd by tht Comer and amount, or towards set'tlemea.t or the purchase price of such propeny.

- (c) Any decision of the Commissioner u.nder pa:ragraph (b) shall be subject to objection and appeal.
- 9. An amollilitt .sMll be deemttd to ha'Wl accrued to any persoe ciml?JSacm=
  om a sm1rce wit in the Republic if it hw been received by or a'S aec.rued t-0 or ni faYOur of such per.lOll] by virtue of: from a sm1rce wit in the Republic if it hw been \_received by or ha'S aec.rued t-0 or ni faYOur of such per.IOII] by virtue of-
  - (a) any contract made &y hiln within the RcJ)llb'lfo for the :sou.rm Witlilii sa]a of goods, whether such goods have beGo de.liv.ut,d! 11\c RqubUc.
  - or are lo be delivered in or out of rtbe Riepublic, (b) the use in Ute Republic of or the gmnt of pmnis.soll to use in the RepUblic, or thin; imparting of or the undertaking to imp.an any knowledge direc, ily o i d:ireeUy conincoted, i.itb the use i:11 the Rt:?; pubfo: of arn,y patent as deli, ned in the Pa:icrus Act, HS2 (Act No 3'7 of 192) or any d. trade mark or copyright dofined in the Designs, trade Marks an: d Cop, yri8ht Act . 1916 (Act No. 9 of 1916), o.r , amy other pro, pwty whJch in the oplinion of the:; Commissioner is of a simillat nature, whi:resioev-er such propeny has been produc=<1. o.r sut:h permits' on b111s been grao.ted or such know]tdgc has been im.pM'l:ed or su.cfi u:ndt r t:at ing has been given Of paym!n.t for S'IICb useJ ot of permissiort, imparuing of kllowl£efg:c or mtde:rt:akmg bas been made, Q! is. t,o be: made., all1d whether such pa,ymellit bM be¢:n. made or js to be made by a pmoo resid.eTit in Ot Ol!lt Of the Re,pl,1blic;
    (c) any bu;sin s: carrfod on by any such per.son who is on:r..

.oarilyrse.sident ia the Rcp:ubli<:or Mtheeaseofa:company is :regr-slef ed, ma:naiged or colmolred hi the ReplLb] ic, as owner or chartel'Ct of aoy ship or aioomft, or the dispo a by such penon of anY romm.odity acquired in COfi.iKC'lloo. with the operluioo of such s'Itip or ai,crnf:t. wheresoever such sh.ijp or ajrcraft- may be operated or sudl disposal of the comIllodiity maily be

dfeded;

(d) ,a,ny se.rv.i rendered or work or 1a:lbour done by such in nw carcyjlllg o.n in the Re,pii'blic of any trtull= whether the payme:nt for sllCb servke or work or labouT is or fa to be made by a person res'dent in or out of the Re.public and wher oever paym:e11t for such service or work or labour is or js to **be madQ**; (e) any servia; s. taidered by sidi. pmon to ot work or

tabOW" done by such persom for or on behalf of the Oovernmeru: J including the Railway Admimstra: Ifom and any provincial aimini\$t:ra(foD, or a(lly ]oeal a uthority M the: Repub'. Ilc or thei South Afri m: Tourist Corporation, notwilbst&.1di11g 'that suclt se rendered or chat 111ch work or labour is done outside llie Republk, pr-ovided s11cll services l'Ifc rondered or s u ch worik or llaboW" is don im accor,danoe, with a co111Tllci: or CDJ?l y.ment ePtwed into w it h the Govern... ment o.r su.ch administration or localauthority IU the Co:rpora tfon: ProNidtd tkat nothing jn this pUagr,iph shall be construed as imposins lfa bility for taxation under the Act upom a:ny salary or emorum.enit paid to II:i:\)' person in the empfo ym,ent of the Ooveimncot, including the Railway Admirustration in r pect a my period for whild nch person is stationed to the tffl'itory at South West Afr.ica;
(f) any seJ"Vkes lldem:l or work or labou:r d:one by any

such person who is ordioarlly resJdent ill the Republic, as an officer or a mlmllber of the orew of any srup or a:ircra:ll referred to:io paragraphi (c), no with standin:g: 1!liait such s foes, a.11e re.rule or s.uefl work or labom is done outside dlle Republic and wblffl:soove:r Jaymc:nt for Sllc'b servi.ccs of wo,r k: or

labour is or is to be made;
(g)i u Y profit fon or annuity and to such pett0n, wheresoet'er payment of that pension or annuity is made and wheresoeveJ" th-e fu:n.ds Crom: wh payment is mad c are situ3Jtc-

- 0) by the Government, includ!ill11g tbei Ra:itwa\_y Admioistratfon and any provincial adminfstra-60.n, or hr any local authority in: '11c, Re, publico
- (ii) by any pm olil whetiler midling or can-ying on builow in the Repl Iblic Oil" not, if the services illl respect of which that pell1.ion or annuity graot ed we:rc performed WJthln d:ie Rep111&I c for at teas.t two y,ea,T:\$ during the ten years immediate]y preceding the date from whrich 'lbe peruiion or annui y first becarme duei Pfovided.

Ibat if the pe.n:s.io.n or annuiif.y wa'S granted iu lle.s.p t of :se:nices whkh l;,,rerc mule.red partly within and parlly outside the R btic, only so much of :suc.h pen&.iol'.!I or amnuty as bea:rs to the amo.llll-U of such pension or annuity the sa:me rlltio a.s the period durin,g: which the services wm: mndeml in the Republic bean to the told period during whi:clit the services we ffflMr!id, shall be deemed 'to be derived from .a sou.«:e wJcbin the Republic.

JO. (1) The.R :s.ball be cxemJ t from die Wi::-

l!qmpllo.n:,.

- (a) tbt leVn lues or the Government., iincluding toe:: Railway Adminisuatioo, and amy provincird administracio:n or any other state:
- (h) t nvcnues of local autt.orities,
- (c) the salaries and cmoJuments payable- to--
  - (i) the State Pres:ident; and
  - (ii.) any person wbo holds oflkc in the Republic u an o:ffi cill of any governmea:u. o tller thm the Gowfils t of the Rep11blio or the MPDnlistrati:on of the territory of S01:1th•West Africa, provld: d s,ueJt pe1100 is statio:ni!d im the Refiuhlic for that pu:rpose and ,is. not ,o rd"u rily te:sidenit i:n the RepubMe;
- (dj the receipts and accruals (inclw:li:ng: , tipts o-accfilalis f:rom m\'Cs.1mtnU) of any terlQmaiting buiJJding socfoey, pellsi'on fill!d, provident f\!Ind. reti ent 3Muity fuod or bent.fit fond or of any instltu.tioill whfo:h in the opil, lion of the Commission r is a ml11!!:rn! saving, bank, a mu.mat loan assoclu ioo, a fiddity or h1demnity l';und, a mi.de union or noa:.iprcprietary :stock ex.,cb,a,ngo.:
- (e) the .rece-ipts: and aceruals of
  - any r;:oinpa;o,y, socicly or otlile1 au 0 iaition of p,crs.ons, w-b.elher *ot* mot riegim:lled wider any law [other than a company referred to in :Paragraph {o} or a co--operati'lj'C society o.r company registered under the Co-operative Societies A.et, 1939 (Act No. 29 of 19.39)]- th-c profits o gaj!ls o:r whkb, other than profits oJ g nns from 1114CS1-ments, are derived solely from transactioru with or on behalf o.f its individua membm, andl the oonstitl!!lti'Oll of which does!Dot admit of the distribut,ii:111 of !l:\$ -profits or galM to any pe:n;ons other than the members with wihom. or on wMsei behalf the tra n,sacijons took: place, andi dot.\$ nci confer upon iun; person. aoy bcn.c6t other than be.Reins aeCr1:ling to that person r:r-om transactwn.s wJch or our behalf of tbat person; andl
  - (ii) aS. Sociations which in time opiruon or the Commissioner are aniafied if sporting associationu,

except as tegan'ls any ipts; or accmals from investments by imy such company, society or association;

- (/.) the F"etieipls and accrua!ls of all eccksiastlc.al, cbar.itablt and edu.cation.al in stitutions of a public chameter, whether or not supported wholly or panly by gr.m.ts from the public rc-v uc::
- fg) any amount rece.iVEd as a wat pensioo, or as **an** award or a bentftl U;nder all'Y law :rclatmy to the payment of com:pe:nH:ti.on W n.spi:ct o:f dlisu scs oon\mckd by persons employed in m nimg opc:ra.tiotliS;
- (h) Mtus t 11 ciwd by or artctued to .1ny person not ordinarily resideant nor canying n busl:11m ln Ole R.ep1i:Jlic fir m stock or securities including Ticais ury Bms) issued by the Gove.rnme:nt or any o QY included in the R.cplliblfc, oranylocal auLb.oruy Wilthmthe Rep1.1iblic or the,£.!eclricity Su.pply Commission; Provided that if Lil the case of amy such stock or securities issued in k\$peC1: of a loan :rais hi. a. country o:imide the ltep11 blic the 1'remucy has, with the: approvait of the. Minister or .Fi:rurnee, giv an und.ectakirig that the inMr thm-e:frnm. wd by or accruing to any pemin not of dmairily dem. in he hpublic shall be eumpt f:mm :w. in the hpublic the: imterest

- received by o.r accrued to su.c. a person from such ofthe said :stock: or S¢CU:r.ities. as re acquired by him out.side tile RepuJblic and paid for by hlm in th.c ourremcy oF:an.y co.an.try-other than the: Repu.blic sba]l be e.itempt from this tax even if thM pe-:rson carries on bus "IWS ill the ke.pl.!lblic;
- (i) O:1 t received! from any Zept in the Post Office Savmgs Bank 11cll1di!ii g htterest on Post Office Savings Bao.k certificates of oa Tall. Redemption Cer:tificates, or all!!;ual iot ita;;c edm respect of agy Umon Loan Certificates or National Sa.vmgs Ccr.!l. licates; or ill Jt.ere:n received in Ires\_pl:11;t of any lo;)n portioni of the norma and super tax i:mposedl undffl! the Income Ta Acl: 1953; or any subsequent Act O Parliament, or annual foterest acort!!ed iD respect of Five J!er Iicnt Five Year T:reasu:ry Bonds, Five per cent Seven Y:car Treasuicy Bonds and any aJM!il!!iited a, jrees jn JICSpcct Ot -IflY i!iubscrl9.tion share; but not in respect of any amoun.t paid or credi!'Cd on any paid!.:up s aro aloy builliPJJ society: Provided (hat the c:xcmpu.01:1 m respect of un:c:rest-
  - (i) on de its inthe Post Office Sa'lings &IIk and on Post OJllke:savmgs. Bank Ctrubtcs made 01 lleld by any one JMrsom sbaU be !!im.Um io each asc. to the sum of one bumd:ud rand:
  - (.ii) on Tax Redemp:lion Cemlieates held by an.y ooe pe,rson shaH be 11mttcd co the sum of :li:fly :rand.
  - (fi:J 011 Five per cent | five Year T sury Bonds 5hall be liotiited to the s1ml of om, thousand rand i:n the case 0 any taxpayer,; and
  - (jv) on Five per ec:nt Seven Year TreasufY Bonds shall be:; funilltd to- the sum or. e:m, tbousa:nd i; d in the case of any mx,ayer;
- U) the receipts and! acc.ruab of any bank, if the Collil-mlssiottet\' is satiili.ed that such oa:ok is not resident in the Republic and is entrusted by the Gove,rnment of a territory outside the, Rtpt1blic witlil 1h custody of the priDci,pai! foreign e.xcha:n.g,e resesves of that territory. and the Minister of Finance decides to ap;p]y tbc p,ov.Wons of this paragap b: to that hank 1espect Of the -year of asses:s.me111 Wldler cltarge:
- (i) divid ds rieeeive.d by or acert:1ed to or in favour any company: Pro\llided that this exemption shaU not apply to divideou (other than: those-dj:stribu d. out.or' profu:5 of a caiii1ai nanue) distributed by a fi;xed pro, perty company as deined in sectloll mus of the Umt Trists Control Act, 1941 (Aest No.. UI of U-t7), oo shares held by a eompacy which is registered uruier the said Act as a to temperate the company in property:sba.R:S;
  - (µ) d.Mdend.s feee.ived by or acc.n1ed to or in favour of :31Df Pffi.01'11 (other than a eo.mpalil\_y) n.ot ordiQarily resident nor carrying on bu m!SS in the R.epuiblio;
  - (lii) dividends received by or acented to or in favour of the dill estate of any person. who at date of death was not onfinarilly rasidem: nor carryling on bill:\$iness in the Re:public, if,, but for this e:tem oll, su,oh di::ceased estate would have ibeeD. liable for normal tax in r-espect of such divi oos:
  - (iv). so much of any dividend rexiv;ed by or accrued ilio any petmil (other Ulan a company") who is ormnar ily residlmt in thie: Rcp1.11blie from ailJ co.rnpany not n:gistered ill the ,R,epublir;i as the Commissioner is sati&fied has been duttibu d out of any profits of s11Ch oom:P"!-ny im mt of whlch aoy am.ount has been Jncluded in any of a ent in the taxab[e, iinwm.e or 111come:sttbJCOt to s tu of such per, son as the result of tih.e apportionment under the iillx! e tu law of temlo'l of South )Vest Africa of the taxable mcome or in.come s.ubJect to supe,r tax of nch company am.oD,g its shar-eh,;,]den;

- (v) div 1! & recejved by or acer d to aBl'. \_fets(;!D (other lha n oom.patly), o:nlin.ad 'y :res:idcot m the R.epublio fl'cnn 8n)' company net r-egi.s,tc.rcd in the Repulnic. bl respect or shares a.cqu.irei 'by suclt person-
  - (aa) befme he became ordinarily tesid n.t in the Republic fot the ftrst (m.ej;
  - (bb:) by Inherita.n.cc or &:1 a donafioo it at the date of the donadon the donor was a person (other than a complany) not ordioor.ily r:-esidellt in the RepublLe;
  - (ce) out \_of fllnd5 de ivoo br. him fiom any lradc ca.wied. on by hi:m ouwde tile Rep'l:lbltcj;
  - (4'ij as bo:n\(\text{lis}\) is sh res a to him as the hold'-« of sham dlb dividends o.n. which are exampl from. no:mlal tax in his ballds in t"e.rms of this sub,,pw:agraph o:t would! have been so exempt it such divicJCDdS had been received by or had acoru«t to him on of after tbc: da: c: of commmceme.nit of this :sub-paragraph;
  - (ee) ONI or funds derived by him from *IME* disposal of shares the dividends on which were ex'. Cmpl. from o.onnal tax in bis hand in terms of dus sU!b:paira e.b. ot wowd have been s,o, ien.mpt if su-ob divuJen.dls had been received 'by or had acculled to him on. or aft r the date of commencement or dus s,nb-pa.ragrap'.b;
- (vj) dividend\$ reoe,iwd by or accrued! to any pm o:n (other Joon a ,company) Qidioarily reside.at: in the Republic d:uring any year of as.s-mment from. (3.D) co:m,pany io.e;;orporallsd in t; lleriitory of South West Aftica, if the Com.m.iuione.r is satisfied that so m:uch of the tota] net p,ults of siroh company for such year of :aWl\SSme.nt as dees ot cooiist of divideru:ls was derived wholly or maiDily from a source within the said territory, and tbat any dividends: included in tb,g tot.all n'C'l we.its of such company for ntch year of assessment we:ro detived from :3 com\_pan.y or c:ompanfo.s the total net profits of whileli 10 such year of ais;essment CQpsisted :solely on m, ainly of taxable income., determined under the in.come tax laws of an.d derived from sources wiilhilt; the said territory: Provided hat for the nurposes of this suh-pa.!3rph thlll ex:p,,e'Ssion :'totRI net profits' in rdat1on to any company in respect of any year of assessment meain the net profits of tl, at oompa for .sw:h year of asstssme...nt caikulated in the mamler j;ltl}seribed under the inoome tax laM of the &aid tmirory for the ctetermmatmn oft.uable::inoome for n.orma[ tax p1:1rposes in re;poot of ii':lat year of asSC\$S'ment. but im:spcc:Live of whether the pmlbs: are derived: fr.om a source within or outside the slid territory aind subject to the ini:::ti.wcm in the ptofits ofsw:b COpql-3:ny of all d"vjdends f:-rom whatever so uicc;
- (J) the I!fofits of mining made 11n&r a ]ta.Se granted 1:Indcr sectio.o *fort ix* of the Pree.tons and Base Mm Is, Act, 1908 (Act No. 35 of 1908); of the 'F'ransvaa:li
- (m) any amount receilled by or accrald to an =.11thor of a work in :l'e:5P«il of the !Wi;gnment of or gna:nt of an in.tercn in a tin :sucl:1 wotk,, if S\Cb att1,Q1Q\L is ch.argeabl= with income tax ill a country oth r than the Republic: Provi:dcd tiiat this e:w::cmptio:n shall not app[y to ainy penol!! whio is oot the first owner to copyright iA terms, of Chapm-1V of tha Designs, Trnde Mam: and Copyright Act, J9i6 (Act No. 9 of 1916), or to a company;
- (n) any amoum: u:cc:ivcd by or accrum!lo ainy member of the &fe:nce: ror:ces of the R.epublio. in tim of wa:r or

- du,ring a pedod of three months thereafter. wh hear in cash or other.vi a!i an allowance for aioy 111niform. ration or lodging;
- (o) the receipts and a ruals of any company regittered in purst1an11;C of a licenQC graoted under secuon *Menly.-one*. of the Companies Ac"t 1926 (Act No. 46 of 19 . which has not been revoked•
- (p) any amomd rtceiwd by or ao::ruGdl 1.0 a-ny person Yfbo is not ordinarily resident im the Republic, fot .Sfme« rendued or work or labour done by him outside the Republic for or on behal(or the Government, including IWl Railway Adolirnisua t ioA lilld any pr:-Ovincial a:dmimstratiol1, o.r I'lly local, u.rh ority iR t hei ublic or the South Mru:an TourJSt Corpora.Uo!D, 1f such am.on:nt is chargea.bt wiith 111100:rne tax in the Oo'liiotcy in which he is ordin.a:rjity resident and the: income tax so chargeabfe is borne by himself and is not paid on bis behalf by the Oovommern:t, the provinc.ial dmtl1i tration or Jocail authori ty concerned or the said. Corporation;
- (q) so much of any gratuity received by or accrued oo any pers on from his employer as the Commissioner deems to be a grant made lescause shapen.on had obmiced a uwversity degree or diploma or had been sllocesslful in some examination, and not rernuoe'ration or any pom on of remuneration for srv(ces reindered or to be mutercd;
- (.r) any gratuity (cnller than a leave gratuity) received by or a to a!!Y person from pUJbJic funds t1pon his reti.retnenl from. any office ot empfoym.eitt 'Wider the 0 0\le.rnment, "np!w:ling, h.c ilway. Admln'stration nnd a:ny pt0vt11 1at adn:unulmuon, wbicli the Treatll!Y d¢claus to be /rt¢ of ta:
- (s.) the receipts and accrools der]ve4 by ny co any from die reaUzation, of as s coilsisting of gol'd bullion on sham in companies, if ;Sooh assets were acquired, by sl!lch oompany with funds which with the reason of the Republic room any country outside the Republic by arrangement wllb the Treasury or wlth fl, lnds derived room the liza:tiOn Of similar Uffls, acquired with the prodil:r.1.ved from any soch, assett or frol!lli divided rivided rivided room the assett on the liza:tiOn of similar uffls, acquired with the prodil:r.1.ved from any soch, assett or frol!lli divided rivided rivided as with the; approval of the Mim I.Cr of Finance given an 1,lndeltaking that any such recelps and accrwls.s.JfflU be ciempt from thiz: tax., prowded produced rivided remains and eomdmons of any arrange, mat with and any 'tmcfartaking given &y the Treasury and the J)C.£iod during whi.ich such llDdertakmg is to endu:re are published i:n the Gftelle•
- (I) the receipts and a oruars of the Cmm.c.il fo:r Si;iemi&e and Ir1dustrial b.
- (2:) Notw.iitbstaodiing; t:hei exemp,tions provided fo:r in paragt:ap bs (II) and (k) of su b-section (I}
  - an am.oonts faUiog withfo the sc0pe of the said para.. graphs sbd, be set out. by the taixpay.er in the return rendered by him; and
  - return rendered by him; and the said exemptions shalt not apply in respect of any portion of an amluity.
- (3) The emptions p.rovided by any paragraph of su on (1) shaU n.ot extend to aity payments out of the revenues, n:ccjp ts aict:rual's or pro tits memtioned ini such. pa ta,grapb.
  - (4) There shall be e!teRP:t from the tax-
    - (a) every married person who:se taxable income in all!)' year of asswm.eat does not e:x:cee:dsh; hIDldmi rand or, where the period of assessment is kell: than n tun, ao amoont '-Vhich bears to six hm:uirccl fllM the same ratio as the period assessed bean to one yur; and
    - (b) every other person except a company, whose ht..ublc inoom-c io any year of a.ssessme'nt does not exceed five hnnd m rand or, where the period: Qf assess:ment is. Jess than a fun yearJ ng amou:nit which bears to, five bultdred mind! the same ratio as the period ed bears to one year.

- IL For th-c pwpose of determirun,g the taxablem e0me, Geo erlvcd: by any persan from canyiDg0. 11 \_ail) era.de. wi th ::'U O!JS hpobl•c. Ithere .srutll!'?c allowed as ded:uwo:ns fro:m the Jro;Om.C de:O 1cn of tuablo e1:!come.
  - (a) expend:itUfe. and.losses acn Uy inellRoo. in thei itep!!iJblic illl the production of the: income, provided suct expendili.m,o, aTid osses are not of a. a tid niiilure,
  - (.b) so mut:h as the Commission!f ::may aHow Oif an) expe,nditule and losses actually in Ollltside th Rcptib]ic hi the production of the hbome, provided such experulitt1fe and! losses are not of a capital natme:
  - (c) any expendin.11re:. othl!f than that of a capital mture actually incurred by the taxpayer during the year of aJSCSsmr:nt in rc--spect, of a W dlspu,1.c or action M la.w arising foi *the* oonne: ot by n of the ordimaey operations undertaken. Ib ¥ liiliil in t!ltJe cartyi!iig on of his ttadei;
  - endittue actually incurred during the: year of asscss.ml!tU 011 tepami of P,opllItly OCCUI ied tor the: ruuppose of u:ade or in respect Of whiet IRCo:me is r=vablei; iocludillg amy expend:itllllrlc:so n.cu;rred on the maunem a.gqin.st: anack b,y beetles at .my dm.ber fonni:n.g pa.rt of such property and sUm.s Cl:Kpe-Dd'ed fur the lepa.ir of macbinery. lements, otensils and other articles eroployed by taxpayer for Uw purposes of his tradle;
  - (e) save as provided bl s.ub, paragmph (2) of paragml?h. t2 of the First Schedtile, such sum s die Comm.i.Btooer may think Just amd reasonable as tep, cseoting the amonot by whkh the v lue of a maclli:llery Qm any deduction under sub-section (I) of section rwtlFe or under that sub-section as applied by sub-section (3) Of the said scc:liolD1, or uader the oonC!ij)Ondin.g provisions Or any previous Income Thx, A,ct). iJp plements, 1:lte.uils and atti.cles used by the taxpayer for the ptlrpose of bi£ trade has been dimin.is:bed bf reason oTww and tear dwmg th-c; ear of assessme.11t:

# ProY!dil:d tlliit-

- (i) where 11. dcdu-cuom has been allowed under p rs.graph (d). tM Commissfoimr shall. tab into cot1sider.:1.tiolli the sum allowed u11dcr that para;graph in det:mnillling tbt s'lilm to be allo,wM onde,r Uus paragraph; -
- (ii:) in oo cas!1 :shaM a:ny alllowance be made fm the depr tio1:1 of bnilm:rigs or Otber stmciurcs 01' works. of a pollrJ;11!tJiltnt rrau.ue
- fill) no allowanc; a sh.all **be made**. under dfr pan ph in respect of ae,y ship to which the provisions of paragraph (a) of secl:1r0t1/aurt a.pply;
- (iv) th ,mluc o:fnew or unused macltin.cry, implements; utensils or article s which we:re used by 'he: mxp.ay,u, dinot]y in a pm,ccss of manlllfao'lure or, if 1,roug,bt into we on or after the fifteenth day 0 March. 1961, il1 Y other pm&\$\phi\$5 \si'hlch in the o,p fo.ioo or the CoiiU1U\$Siooet is: of a simibt il1aitur and were \$41.0qWNd, to r pfa.co maclunctY, implCfil.c.fi:ts:,, 1:lten.sils or at.ti.cm whk:lil w@e d!ama:ged or destr ed by water or fire, !ihaH be reduced by amy amount which has been recovaed or r ped as oontempla im jg paragraph (a) of !!ll/lb/4'e.dioJt 1(4) of :section. e:lght or the corre&ponding provisions of amy ious lncome; Tax Ac:t in 1&:Spoot0 tllli, damaged or destroyed machinery. im plem.ents. ui sib or a:rticl:es and has been excluded from the taxpayer's ililoome in 1-emlS of paragraph (e) 0& dm said S\lib-s liOD. or the correspon,ding provisions of uy previous IncomG Tax. Act. and. not included in the taxpay;er's. income: in terms of thra proviso to the said puaJf3.ph or the correspon ing provisions of a!D'y prev10us [noome Taix Act in the currut or aov o.re\!fous year ot assessmea.t;

- (v) the value of any machinery, jmplcments, utensils or articles used by the taxpayer for the purposes of his trade shall be increased by the amount of any expenditure (other than expenditure referred to in paragraph (a)) which is proved to the satisfaction of the Commissioner to have been incurred by the taxpayer in moving such machinery, implements, utensils or articles from one location to another;
- (/) an allowance in respect of any premium or eon• sideration in the nature of a premium paid by a taxpayer for-
  - (i) the right of use or occupation of land or buildings used or occupied for the production of income or from which income is derived; or
  - (ii) the right of use of any plant or machinery used for the production of income or from which income is derived; or
  - (iii) the right of use of any patent as defined in the Patents Act, 1952 (Act No. 37 of 1952), or any design, trade mark or copyright as defined in the Designs, Trade Marks and Copyright Act, 1916 (Act No. 9 or 1916), or of any other property which in the opinion of the Commissioner is of a similar nature, if such patent, design, trade mark, copyright or other property is used for the production of income or income is derived therefrom; or
  - (iv)the imparting of or the undertaking to impart any knowledge directly or indirectly connected with the use of such patent, design, trade mark, copyright or other property as aforesaii:.1

#### Provided that-

- (aa) the allowance under sub-paragraph (i), (ii) or (iii)shall not exceed for any one year such portion of the amount of the premium or consideration so paid as is equ:il to the said amount divided by the number of years for which the taxpayer is entitled to the use or occupation, or one twenty-fifth of the said amount, whichever is the greater;
- (bb) if thetaxpayer is entitled to such useor oocupation for an indefinite period he shall be deemed, for the purposes of this paragraph, to be entitled 10 such use or occupation for such period as in the opinion of the Commissioner represents the probableduration of such use or occupation; and
- (cc) the allowance under sub-paragraph (iv) shall not exceed for any one year such portion (not being less than one twenty-fifth) of the amount of the premium or consideration so paid as the Commissioner may allow having regard to the period during which the taxpayer will enjoy the right to use such patent, design, trade mark, copyright or other property as aforesaid and any other circumstances which in the opinion of the Commissioner are relevant;
- (g) an nllow(lnC'e in re s pect of any expend.iture actuaJly incurred by the taxpayer, in pursuance of an obligation to effect improvements on land or to buildings, incurred under an agreement whereby the right of use or occupation of the land or buildings is granted by My other person, where the land or buildings are used or occupied for the production of income or income is denved therefrom: Provided that-
  - (i) the aggregate of the allowances under this paragraph shall not exceed the amount stipulated in the agreement as the value of the improvements or as the amount to be expended on the improvements or, if no amount is so stipulated, an amount representing in the opinion of the Commissioner the fairand reasonable value of the improvements;

- (ii) :aoy su.d.1 Uowaoee shal not c::t0C:Cd .for any one )1'\$t .such porlioa of tb.,e, aiggre te of t!he atfowances uD.der thi!! 1;aragraph as is eq11al to 1!he said a ted vib d by th,e numb r of yetu"s ( lcufated from tb.e date on whim the improvement1! are comp ) for which the ta:xpayu is eotit.ltd to the use or oc:cupafiomi, or one twen:ty-fifth of the said nwegak; whichev-cr is thee gra ter:: and
- (in) If the taxpayer i 1 it d t9 such use cir occupation for a0i mdc:lin to pectod he shalt fot the IPUf!XISCS of lhi'S paragraph be deeomed to be cntlilJed. 10 such u,se, or occ;11,1p;.tt on for su pi!l'iod as in the op,iniom of the Com.mission represents the. pobab:la duration of such use or oocu ion:
- (h) such alowance. in the tax:payer of the definition of the defin
- (a) the am0Ullt of any debts due to tile tax, ayer to the extent to which they all'e proved 10 the satisfaction of the: Commissiooer to be ibad, provided such amoUnt. ill n:icluded in the eurrmt of aS:sessmen or was included in p.rcyfous years of assessment. in: tl:11!1 taxpayets income
- Ol such an allowance as may be made each year by the Com.m.iss.ioner in rest of such deb1s du.e to the taxpaye:r as he collisted rs to be: doublfli:lh Provided. d 111,t such ttllo vm.Dee shall be m.eludloo 1n the in.come or the taxpayer in the roUowing year of assessment, and for that purpose aey aUolW!lnce !P',S!!!tcm iin temis of po:ra:graph (/1) ,of sub-,scctlan (:2), of \$.eCi:ion eleven of the Income Tu.x Act, 1941; h r pe,ct of the year of assesilP .ot ,ended of:1 the tbktieoth day of J1mc, 196Et shall be deem-cd to be an allo:wanoc which was made in kmls of this paragraph;
- (k) aoy sum contributed during the: year of a sment tfy way of cumin colnrilil.ltion to a ny pemion fu;nd by a:oy pctson holding a:oy oflke of employment where the ltimg of s.m:hi a cotltllbulion is a co tion the h wmg (!f su:c& office or e?W?-oyment: Provided that :the d'edu.cuon Ki be allowed Jn respect o! ontrl,o bti.tions lo ii pe,u on fund na,t e-.stablisibi:d by hw shall not ceed the sum-of four Ji red ra:n.d:i
- (l) any s:um coatri!iuted by the mxpay!t durlog the year of a.s ment for the benefit of his emp[;oyees, t'o any pension fund, providen:t fund. or kn.dit fl.11n.d: Pro-, vided. that-
  - (i) in of any hlm.p :s contrib:u.tiqD:. lhC Commissioner may determme that the s aid sum shall be dedu.ctm iro a series of annua instalments. so that only a poruon the.xof is deducted in the r of ,3ssessmeru: l:11 which, it c;ontribuled,a-rul the residue in su:cll subsequent ygis of ass smc:-l'it and in sm::b. p:oponions as t Commissioner may detemlioc, 1:1nlil the comtnbuliioo lis exti:n,guished
  - (ii) if the contributions (ind1.1ding any lump sum payments made by the tH ]Htyer m respect of any employee during aqy year of assessment to such funds exceed! an amount c:9ual to ten pc,r cent ,Qi" th,e a p t10'Wd t emmtera, oQ of iucb cmptoyec for s11ch year of assessment, a:nd the O.,mm.i:ufoner fa, satisfied 1'hat t'h.e, agsrega(e of s111ch. eointdbutioo and th,e, total :rcmunuati.on accn1ed during sud. year or 8.S\$es'Sifflenl to such =:mployee in res:pcot bis cmptoym:e.nt by the taxpayer is exoc:ssive or unjus' &.b1cin relation to a value of tkc:scrvfocs r dei:-ed by sudl. employee to the taxpayer, and having regaro to other l,cneftt.s, if any t derived by him. fr,am h.is c lQ,P]o yro t by the taxpayer, only m111ch of

nith contributions as aippean to the Commissioner to be reasonab but not less than an am.own equal to ten per cent of the approved remwterauo.n of such empfoyee for such year or assessment, shall be alfow;cd, to be deducted ullidtr this plua,grapb:

(liii) aey decisfon or the OQmmissioocr Wldct thii patagraph., not being a decision under p graJlh (1) of thris pro shalll be subject to objecuom aadl a.ppeai,

and for the plllrposes of para, gimpb (ii) of this proviso ""approved refining ratio Q', in relation to any employee, for any yr of assessment, means so m.uc'b of the total mull ration accrued to :!!Uoh em.] foyee d'illrmg :s'Ueh year of assessment in respect of bis employment b; y the taxpayer oonc:erned the Com, ... m:isi.ion(7 conSLdcrs lo be fair and rea&onable m rcloom to the valu oftlle ssn.iccs rendered by such emp['Oyec. dmmg sooh year or assess:mU11t to the taxpayer and hav.lng rega:rd to other be:mm.ts, if any, derived by hi:m ftom his. employment by ,he taxpayer;

- (m) any amount pa:id. [by way of .a, mwty during the yea:: or t by ainy caxpayu-
  - (ii) to a formie.r cmillol=: who has retiired from tille it a ers. employ on grounds of old age. III heafillh or .1,nfirmuty or
  - (il) to any pelSOD who is dc:pcm.dent for lijs maintenance upon. a fomi.e.r crnployec or (where su.dt former employee is deceased) was so dependent i tely prior to ms death:

Provided. that the dcduclion u:nder si.ib-pa.rapph (u"), shall not exceed in res 1 of the p.csons s.o dependent mi amy one retired or deceased cmpfu.ycc, the sum of six hundred rand;

- (JJ) any Still:Q. contributied by the taxpayer du1ing the year of asiCSsm-ent by way of current co.ntributio11 to any retirement annihity fu.nd: Provj&d, that the deduction under Ibis paragra, ph shall not exceed eight .hundred r.and o:r. io the c:a:se, of any pcys.on who i:s cnlided to a edu.clion under paragraph Ck the amount by which tlle aJDo'\lio.\ of the deducti, on u:n.de:r the saJd paragraph is Jess than. c,igbt hundred rand:
- (o) savi: as Providodin s b lparagmph (2) of para: ara h 2
  Of the: First Sebcdute, an allowance HI respect of .qy
  bi.Qtdin,g of the ;i: Uur d ribed in sub-:sfflion 0),
  or (4) of section thirteen or any mac:b i:nery, iwllenic111s, utensils and articlts used by the taxpayer tor
  the purposes or his nude which have bee.n scrapped
  by such. taxpayer during the y,ear of t, such
  allowac.ce to lbe thae excess of the origina:l cost to
  sncJll taxpayer of such building, machinery. implements. uteipi'.b or o.rticJe:s w the, tot.a amollim.
  Mriycd at by adding an the l owa.nccs made fo res,pcct
  tb f Ulider pa pb. (e) of t.lw: sm: on, b subsection, (l) of secuole: twelve or that su on as
  a p lied by ,111b-sectica (3) of the said section, ot
  Sil&!:cnion (Eli or {4} of section t/Ji'rteen or p.a: ph
  (a) or (b) of s« lion /Drirtecn or (he ccuespondi:Dg
  prov-ifilo.n.1 of any pnvious IillCOJII/C Y x Act, to any
  amount or the value of am' ad vaotage uing tQ
  the ta,xpayu i mpec,t or (he le or olhel dispos a!
  of su,c& building. macltliu cy,
  and articles: Provided (hat-
  - (ii) no 111Uowanee sba:11 be made in Uw ,case. of any such \u00eduilwng which has been scrapped wi thin a period of ten yea:rs from the date of crcotian or purchase;
  - (01 tor the purposes Of this paragraph the eost or IDY building shailli be deem d to be the, act uni cost Jess any amoill!!t deduoted from such cost in terms of Hb:5cction (31 of section thirtee!! ot: th!!! co:ruspond!mg pro-vmons: of any previous lnoorne Tax Act

alld tot the pwposes of this pairagra:ph the 00:il of any machinery. implements utens ils or a::licle.s &haU be deemed to be the ae:tual cost phis the amount by which tile value of such. machiri. . iinpfa:m.ents, uleosils o:r atilicle:s has been h1c ed in terms of paragraph (V) (If tbc proviso to paragraph (e) or the cotfCSponeing provision;s: of any pll vi OLLS I ncome Ta:it Aot. and kM Im amal.ulrt. by which sue!1 v tuc has lbeen red uced in terms of parag;aph v) of the uid pl'loviso or the corn.s-pondin g prowslons of ai y pRVious lnco:mc T x Act;

- (p) c,c,p¢ndit·1u c.iinc:W'ted du.rh:>B the r of -ssmcg, byany taxpa.ycr-
  - (i) for the piu e of scientific researc; h undertaken by hbn for the develop meat of his. busill so if such e;q, enditure is not of a capital most uire: or
  - (:ii) by way of eoatl bull oos to any association. Jacitimte, college or untverfilly:, to be used in lcicBlitic restUCh riclating W the taxpayer's own business, if the Council for Scientific alid Indusmal Research Cffli&s to the ommission r t It ;ipproves the p,toposab of s'l'.!ch association, institute. coU s,e or urniver\$it.y in tc;gatd to such h and that it is satisfied that such con,,, tributions will be USM in such researc:bi:
- (q) savic as provided in su'b--paragra;ph. (l) Of paragraph i 2 of th.e Fust Stt:ted if the Commissioner is saitided that expenditure of a c::aphal nature has been incurred by taxpayer for the P1:1rpose of scientific rflearcb un,de&ken by him for flhe de vel0pmeot of his busios s, and the Cou.nwl fol' Scienti& 3nd Ind trial l&cstarCh ettti&s 1:0 tM Commissionet that during ihe year of assessment in question such 11 h was ca.med on nd was ftnaoad by such experiditure, a:n amount ln respect of the year of assessmt nt in wnicht such mt.a idt com.menud and of an,y siioceedin,g yea-r of assessme111tt calculated at the rate of twenty-five E)Cl' cemt of \$UCh expenditure: Provjded tllat-
  - {O | the tot.a[ deduction u11der this pa:ragra:ph shall 11ol oe | t:he amount of sudl ex.pendliture: and
  - (ii) if in any year of as nt the taxpa:yer djs... c ootlnnes such the:sea:r-c.h or if t'11e Councl ro.r &icntilie and IDdwtrial R.eseaire'b. is Wiable, in respect of any year of ais,essment, to certify as pro\(\frac{1}{2}\)ided in the toRgo ng pro\(\frac{1}{2}\) sions of this paragraph, the re shall be incll lufed M the fint plyer's inoo:me fortha: tygar of ass essi:ncnt the total of the dednmoru: under this paira, grall'h \(\frac{1}{2}\)! the ec:rrespondin, g p.ro, vjslo:M of any previous Ioeome Tax Act, whiether in the cun:c.nt or any prevfom year of as:sessmeu, less\(\frac{1}{2}\) lie, ten th of tile amoUlnt of such \(\frac{1}{2}\). Will up D \(\frac{1}{2}\). To eaou \(\frac{1}{2}\) mod \(\frac{1}{2}\) od \(\frac{1}{2}\) od \(\frac{1}{2}\) od cyear. not. ding ten, ontamed, H the. pm ad dmillg which such
- (,) ootwith\$landing the provisions of aection <code>lwentJ-llutt</code>, so m.,wb. of any donation made on or before th.e. thimet,!! dny of June 1. by a. comp during the f of a sess smnt (o! the ptl\_!Po.les of cechl!9l0Ji? i tra1.mng,, as ddiDro 1.11 the Technological Ttainng AdvancGm.cot <code>Act</code> 1960 (Act No. 69 of 1960),. ac a uiRiversity {as so dclimed) as does not exceed one per cent of the taxable income. of stich cootpany as caJC'lllaited li,dQft!! a:Uowing aey deduotion go de;r this p.tra ph. provided an amount no1 <code>ten</code> thad t!rui a.moll.tit of such deduwoa has bee,n paid d uri nt the year of assessmint in qo!!\$iti oo. io'to the .s pcclal a.QCO!!Dt cs.ia'blished under t:hc said <code>Act.;</code>
- (s) In the case of a med property company as Miblod in section one of the Orut Tru&Is C'ontml Act, 1941 (Aot No 18 of 1941), the dividends (other than lhosii!! distributed out of profitt of a capital matu.u,) dis-

- tdlluted by such company during the Ytal' assessmem OJI shares held by a company which is registe:r.ed 1111::ufi::r tbe said Act as a mnnagePI.Ut copipa.ny in property shares;
- (t) in the case of any tupayer (e; «:ludiin:g any tupa.y,u who derives income: from the sale of immovable propercy to p.crsOJI.S who are not e!i|Poyed by him) willo du.ring any yeM of ment within the pe:i:fodl of I'WQ years ending oil the: tihlnicth, my of Juot:, 1963t meurs expe:n.. diture in coaDeii;tion with "the e tiw of aay dwelling or who, for 1 he PlllPOSC: of financing in whole: or in part the ercetion by aaiy peno.o dmi:0\8 the SM period of any dwelling, adv:ances or donates to any person aoy amoun.t during any su-cb. year of asstssme.01t, aiod who sali.slks the Commissfo, RU that tut dwelting will be upied. e:i-.clusively by pers.ons. or the hholds or persons who are his cmplo and are employed by him for the plilrposes of his trada, (other than mining or farmia ro. an aUowance ini ,ect of the said year of wessmmt equal to twen:ty•filfe per een:t of die expe:nttiuue s.oincurred or orthe amoimt so advanced or donated: Provided that-
  - (i) where any compa.QY is: mniJl[y eopged in the: provision of hqusimg facilitLCS f.o.r the employees o.f ilSI sole or prific;:ipal han=hold!et, th1: eiqp]oyces of such .sha:rello'lder shall for the purposes. or this paragraph lbt deemed to be the cmpl oyccs also of the: said company;
  - the aggreptB .ill t allowances made under this paragraph or the couespondiJ!8 provisiom o.t any pr fons In.come Tax Act m respect of the creelion of any one dweWng shaU not exceed the sum 0 one thousand rand;
  - (iii) if iA any ytat. of assessment aJI.)' dwelEinc in relation to the ercctiol1 of whid! an aUowance has been made to any taxpayer llnder this paira. GmPh or the co:rrespondling p ov'u.ions 0 any !'r ous Income: Tax Act. whother in the curront or all)! prffious year of iiS\$CSment is occup,i'Cd by any person or by the household or any person who is not an employee Qf that taxpaym-there shall be inc:lt1ded in file income 0 the: said tax-P yer for the ciltftitt ymt of &.S:sesiimtmt the amou:ot of such allowance less an amouat equal to 011,e-ttnth or the said allowance in r=:1:pect of each completed period of one year, but act ding ten Y :rs, dudag whlc:]1: sooh dwe.llinc

was. occupied by an employee or the household or an employea of that ilaXpaye:r, alld fo, the purposes or llh's paragapb "cmplo, im relation to allly taixpaye:r does not include any on who is a reladil! at lhat taxpayu or who if lhe taxpay is a.: company, i:s a 1harcholder (or a relative: of a sha:reboldtr) i:n tha:I company or m any 9'-Qlillpany whicli is associated wi(h tb.ait i;:or,npniy by virtue of sliar..eholdling,. not !being a sha:relw!der who hotds aH his shares in nuu company sol'.e because Jtejs employed by that oompany and who will, in tenm Of tbe utiel es of association, of that company, not be, el\titled to oo ntinuc to hold 'those shares aOet h ses tobe so employed;

- (u) som.u.ch of the expenditure (incl.udiingcl.ubsu'bscriptio:ns) but not e ng truc.e hu dred rand, incllfrtd by t taxpa during the yea, of 1 JI t in Rtpect Or e1111':rta11uneD!t as the: Comm!ssioner is sartisfted was so in.c,nn-ed ,:l'riectly in oonnootior:11 with his u:: de and which is not slJ.cbt expendi, ur ;i,s: is referred to in paragraph {II);
- ('1) notwitiuim,adjqg the provjsio11s of par.i:p a.phs (a) and (b) section twentr-zh e. in. us t of any pef30n s ft"cnn,g. from any phystQai! disahihty whose taxable income (as cafcnla:t:cd bid'orc. a!lowmg any dedluction urn.dcr this pru:agraph) for the yea@ a essment in qu:estion does not exceed! du thl)USa,nd rnn<t so m'U.Ch of any expenditure,, !but not exceeding lhreti,

- (,v) the amount of any )ttemium tot which lite taxpayer actually became. Hable under any policyof insurance takeo out upoo in life of am cmpl orinthtase of a company, opoo t!M life off a director or an employee onhat asy, is such policy is the property of the laxpa;
- (x) aflf :limolffll:5, which in terms. of any othe:r provision iin tlllls Parr are allowed to be deduoted fr,o:m t.hia i ncome of the t uppayer.
- 11 0.) In respect of new or unused machinecy of pk\Dt bedu to be tight into IJC bl., any taxpayer for the purposes of his tr.ide and 'U:sed by h:im dire...;ti]y maprocess of manufacture on all 1 p1mt med in a other pn:icess, w'bii.cb: Mthe op.inion of the Oom:missi<mer is a p ot rimilar oature, ther..c sbaU t,e. allowed to be d11:1ctcd fr.om the mallilDfacillim or incojy of sucli t81i, Jmyer for the year of assCSifflent dwrj!\g b.Y hoalbe which s'ilch maehin.ecy o, plant is so bro!!!,gbt into use an allowanequal to fifteen r cent of thecost to himof such machinery or piant Providro that in the case of machinery of plant which has been aQ:Jnired to re.place machin.e.ry or plant which. Was drunaged or destroyed by water or fire, the allQwanec shaU be calcolaited oo swh cost lc.s.s any amount wbich has been rer;oveJed or recoupM im respect of ii.he damaged or destroyed macru.a(y, o:r plant and has been e:Jiolu.ded. rrom. the taxpaye:r sin.come 1111 terms of paragraph (e) of sub-sectron (4) of lion eight ru thei cmrespondfog provisions or any prerious Income Tax Act, whether in the current or any puviow. year of assusment.
- (2) There shall fwther be allowed to be deducted from the income, oI aoy tMpaiye:rt in respect of MW or ulllused! ry or plant broug)tt buo us:i=i b,1 Juin tOr tb.c plltf(lscs Or his trade ao.d UsiCd by MM direot]y in a process OI mi.oufaciure ot any other process whicll. in the o.pi nion of the Cmnmis:liooe.r is of a :silmilM" natu nn O110 I be known as a maclli:necy in.ll'CStn1t11t allowallC:G, fM tM r of assessm.mt r(not being later Ulan that erulin,g on the thirtieth day or June, 1963) during which such machimef) or plant was so brought into use, equal to twenty per cent of the cost to tbe taxpayer ofmcll madri:neey or plant: Provided that the Minister OF Finance may. in Ute case of any SUM maohlnecy or plant bio ught into use.in a Bantu area or an area adjacent to a Ba:ah:1 am , with due regard to the etrcl!Jmstances of tln.e case and to the ecommendia:tions of the Se,cretary for Bantu Adm.imstr.atiQq Mid Deve:fopment a:od the Secretary for eomm«ee and l'industrles, direct that the aUG<wa.nc,c bil! ill:crea"4 to a swn not exceeding tlm'.ty per cent or such cost.
- ,(3) The provisions of sub-soc:tiions (I) and (2) shall *murati.s mutwu&* apply-
  - (a) :1n =3:i':sot:8tc t1i:C 9' '?Jciem:ir:;

    tha.11 e9uiprn.ent for managers' and servants" rooms and omces) brought into list by a taxpayer for the purposes of his trade as hotell<,eeper.; and
  - (b) whu-c the Minister O'f Finance,, havillg ngard to the clururnstaaces of the case and to the rcc:om.me'Qdaliom. of the retary for Bamtu Administmfon and Devclo ment and tile Secretary for Commerce, and Industries so d!ireots. with re.ferchece to-
    - (i),) used machinecy or plant brought into use and 1:1sed directly in a process or manufactur-e or ainy other process. which in Ute opinion of the Comm,isilioner is of a similar illitute, in 31 Jialilitu area or an area adjarcent to a Bamu area;
    - (iij used mad linery, implements, ute:nsils and arocJes: her than vehicles and other than compment than compment of and other than compment broog[u into USe for the purposes of trade by a hoteJkeepet rn such an area:

P.covidedl that the: al owan.ce provided. for in subsection (0 s.hatl not be p!mlltted to be dedlWtcd **n** respect or used machin.ery, plfUlt, imp]em.mts, otensils or **articles in** mpect ofwhleih.an aUowanoc has ab'eady been d«luc:ted fot the year o-hssessinc;a;t during which su;h; JmUlchinery, plaint, jm,p?ements, utemils or :articles wmc M0111gllit hno me and used sis new or U111used machinery plant, implements, utea.si[s ot actictes.] either under the said sub-seeliot 11 or under the corNS.. pondinig ptOvisiom:s or any previous Income Tax Act: Provldtd turth Iliat, Wittre an aUowa.acc bas been permided tp be ded ted under sub'''Secd om (2) III' be eo:respo:ndmg prOV1.mons of any previol:IS> Income Tax Mt, in 1,be case of n-ew Ol' UJIIIUSedl machinery, plairit, implement s, uiensil:s or articles. th,: a!Ilowanco m resi,ect thereof asused machinery. pla.m, miplements. utensils or articles sha.U be sueh a pl'Opotitiom, not exceeding ten per cent of thii così thereof as the Minister of Fuaa:nce m,ay di.rect.

- (4) The cost of used machin, ecy. phulit, im plcm.ents, utensils anides shaU, fo,r the pnl])ose of dictennirning the allowance to be deductM in mpcct tblZleof.
  - (a) under sub-scclion (1) as applied by sub-S&:tion (3), be de *to* be the acnul cost thereof less the a:ggr-egat,c of the a.mounts aiuo d to bi=i dG:duc in r thtm-0f uru:1!r para h (e), of section *el!W"n* or the CQ:rrcs:pondins p :rovmons: of any p owi: Imcome Tax Act. eilhe.r in the cill wlt or in any previous year of assessment;
  - (b) u:nder su 1ioA ,(2) as so :applied., be deemed to be the actual 00\$1tMJeo.flm tile aggn'lgate ofllhe amounts allowed to be dt?:dncl.Cd £11 respect, thereof under paragraph (e) of section elevm oir unit sub-secdo.o {O or under that su,b,.,scc1fom as s,o applied ,or un.der the COII csponding prows.ions of aoy previous I'oomc Tux Act either in fhe cnn-,mt or ill ariy pr vious Jeal." or assessment.
- I!3. (1) Notwithstanding anything to the contrary conts:in.ed Ded nshi in paragra:ph (ii) of be proviso 'to pamgmph (e) of Oci used In eie n, an aflowaocc cqU;al to two per nt or thea cost {aft.er lhc a prtICCSS ard mucu.01110 any amount referred to m:su'b..secuon (3)) to the mimd' me c'b J'InJ:!!!,Y of any building nd of any im, provements (otll,u. ".ha.n hate i'rs) dreeted theleto s?mtl be: allowed to be dedilicted from hiJ Id.CO
  - (a) if the crcclion of .such building was commeimed 91 mm on or aflet lhc tmn.ty-fiOb day of March. 19 . butnot ter than th fourteenth day of Marc&. !!)61. and smb builm.ng was who!!.ly or mainly !!!!,61 by him du!rillg the year of as sc:ssmen.t for lhe purpose of carryigg On theteili any p.roccs:s of mamufacl. IUC in tb1 coW'Se of his trade (other than mini.og or f; mling); or
  - (b) the crcc(on, of such builcling was Ooll:lffle.need by him on or after the fifteeqth &:y of Mar:cb, 1961, aoa such build m. w.m. holly or mainly depth him.durly the roof assessment for the p,111rpo.se, of c:arzyiQS on ther! in in the collics of his trade (olheil!: than mining or ramungi any process of mall1111factu.re or and otl!iu proocss which m the opinion of the C'ommissioller is of a simi!lar:natu!l'c, or such builfdiag was Jet by him and was wholly or :p1a[1lly usod for the: purpose or cauy.iog on thereiq aey process, as aforesaid in theconling, of ainy trade (otbu than imn:ine: ,or farming); or
  - (c) if the C\$a:ttion of s-u.c building was omme, nced on or after the twency..fiftb day of Ma: ch., 1959, bnt not hliter that the fouTteemh day of .March, 19'61, and such bnilding has been acquired by pu,n::hasc Crom. any other per\$\text{S}\text{m} who was en:titfed Hacowa.ncc i:ni rcspec;t (lle,iof ur:1,dcr paragm:1>lil (a) or the corresponding provisions of any 'PreviolJS Income Tax Act nn.d slJoh bwldlingwas whoUyormaiiPly sedduri:r:i,gth rear of tlucssme:nt by the person. by whom it 11M be ac;;quw:ed for-010 piJrJ)O\$I.of carrying on therein amy 11?rocess Or u.faot'.ure the occurse of hls trade (other than JOJ:mnng o:r farming) ot

- (d), if the erection of such 'buikling Was co:illlltte on or after Hie fifteenth day of Ma U61, and uch buildrillg has been acquired by purchase f rom. any Qther puson who wa entided to ain al[O\Y'allCC in respect Utereof und er paragraph (b) dr the <::oricspo:nd" ing provisions of s.oy previous fo.oom.e Tall Act. :md such bllildiilg was wholly or PWnly used durjog 1M year of assessment by the pers<m. by whom it has been a:equired for the PW"P0\$e of carryiQg on th in tbe:. cot.me of his. ttadE- (other tba!fi mining or farming) a process of manufacture or any other process which i'D the op.imoa of the -Commission.er is of a similar natuR;, or sudl buillding wa:s l:et by kim M d , WI5 whoUy or mainly used for Uw purpose of carrying on the.rein iu t.he c::oun e. of an;y trade !other than miniis,g or farming) any process as afoil CSW.d.
- (2:) The: aggregate- of the a!low.mccs und.e:r :sub-section (1) or the eotNSpo.n.ding pl"ovisio.ns of any p,revtMIJ Inconi.e Tax Act shall not exceed the cost {after the deduction of any amount referred to in :su:'b-section (3) or !!!le. oorresponding provi ions of any previous Fu.come Tax Act) of nn:y building so tecl or purchased. as the case :roaiy be, together wJ,th the oost of any s.ubs-equeet improvements (otlwr than r r:s) effe(;ted t hereto.
- (3) If in any year **Of** W there falls to 'be: illc.luded in a taxpayer''s income in tenns. of J.?3:Ngrnpb (Qi) of sub-section (4) of :scenon *eight* an amo:tlat which hai be no recovered or :recouped in a pect of an, y aUowan made, under who-isa:lioJii {0 or the corresponding iJrovisions of a:my previous In00me Tux. Act in RSpeet of any bllildin& the amo\llot s.o recovered or recouped sha:ll nolwithszanding tl!te provisions of ihe said pa,;api: a pll at the optroo of the taxpayer to be oblil.td by Wm HI. writing to the Commi\\$-SioDff whs:n Sillib mi Ui ing MS reuxn of incotn *C-ot* (ht year or assmmhl during which the recOYe.ry or recoopmesn.t occurred a.n.:d provided he pltt</br>
  Chase:'i or erects within twelve months or such fu:rtb.er period a.s the Com'' missioner. may alllow from the date on which the event giving rise be the Reovecy or recomple m 00011... any other bwJdiug to wmch the provis.lons of this para, graph apply, not be in.c:l'udcd: in his income for such year of assessm.ent i but s'haU be. s.et off' a gaio t. the cO&t to him of such further !building purchas4d or creetm by him.
- (4) The provi&lons of sub-sections (1), (2), and (3) shall ututalis 1n1,;,JmuJi,s app]y with reference to acy bnilding the erection of which was commenad by the taxpayer on or after the sondl day of Ma 19 Ild tftc:: cost of subsequent ImP:r<!Vements. (otbut h Rpairs) it it. It. reto: utuliidma; was wholly or mauily used by hmm d1.1Jmlg tb.e) Itaf Ot a:ssessmernit for the pltq.cs= of caayillg on themo his trade ethotdlkeeper. and with reference: to an; y liwldJ:ng the erection of which ws commenced ib f a taxpayer on or a fie:t the ifteenth day of March, J961 and to the eost Qf sub q jmp\_rove, mtn:ts (other thad D repwis,) effected theret if sucl luillding was let by the taxpayer and was wholly or maim\$y used for the purpose of n.g on therein the trade of hotelkeeper,
- (5) Io addition to the dedllciion.s provided ror in sub-se:ctions (0 to (4), inctu:si\'e lhffc sh,aU ba allowed to be deducted f:rom the income of aey taxpayer an aUowance to be: known 3.1\$ .a bwfdimg investment aiDow:aoee,, im ries.pec,-t of tix: cost to the ta.xJ;113,yel-
  - (a) o'f all¥ building ownæl by him the erection of which was commenced On or afte: the kCOitd day of Marcl: 1'960, but mat lluer thl!lio th.t fo1,m nth day or Mardi. J961 and of any inwrewements (other tflan repain) oom:m d on or after the ond day or Matdi. t960, butm ot fia:ter than the four 11th day of March. 1961, to stteh huilding or to any build:ing owned by the taxpayer the creation of which was eonm')enced before the second da;y of M'a reb lg6Q< if thei building in question was wholly or mainly us by him: for the pu:rpese of carrying on there in any process of ma.nu.. fucture ii11 the course of hlis trade oth'!:!' than mining or farming} of for Un:i p1,:1rpose of carrying on thereilli his trade of ho k«pcr:
  - (b) of any building owned by him the erection of which was comm.c11ocd, oi:1 or.a rtbc:. ll:neen.thdaiy of March, 196], but not later then !he: thirtieth day o . Jrlline, 1962, and of ny im.prov ots (other than repairs)

commenced 0::11 o:r a:ft-er the Mtcenth day of Maooh, 196.J., but not Jater than the thirtieth day of h, ne, 1962, to any such buiMing or to auy buiJdling owned by the taxpayer the euction of which was commenced bd'orc lhe fifteenth day of Marchi. 1951. If the building m ques oc wm; wholly or mainly used by him. fol (he purpose of catty.mg. O: lhetein i the coll of his trade (other thain m.mtn:g or fa.rmlng) aDY Ploctss af man urc or any other Ptoi:ess which iio the opinion of the Commissioner is of a similar namre or. for the plitposo of ca.trying on ther!!!! his tirade of hothereper. or if such imilding was kt by him and w.as wh.oHy or mw-.ty used! for the purpose of canying on ther,ain a.n.y process as aforesaid io the c-(11.t 0 any tmde (other than milling or farming) or for the purpose of carrying on therein the trade of Jtotelkcepe,.

- (6) That building investDient allowruiee sba:U be a sum. eql|||||| to tem pear ccm of the cost of die buildings or improvem.cnts h1 question *tor* the year of asse;sment (b1.1:t not law than tba:t endil!!ig on the tbktietb day or *ID e*. 1964) durin,g whkb::-
  - (a:) in the case of the, cost of erection of a 'bw[diog used by the taqaye.r or Ute ress-ee, the bei[djo,g was fir&t so use-d:
  - ,(b) in the se0fth.eoost ofany improvements to abuiJdiln&, the "mp:rovements we11e completed:

Provided that the Minister of finance may, having re,gaxd to the citemnsfanus of the case and to the recommendations of till" Secretary for &ntu Administration and Development ud the Sec:wazy for Commerce and Industries, dim;t t;b;at the allowance n respect of buildings re to im paragrs.ph. @ ofsub-seciion (5) which ha,re been us:ed to the man:ner aforesrud io a Ban:11.1: area or a:o area adjacent to a Bantu at\ea, or in uspoot of imp110veme0its to such 'buildings; shalil be inc:reased to a sum not ex'.Ceedliag twenty per cent of such cost.

- 14.. There slwl be all:owcd\ to be dcd\lcted from the income. of Ded om any non tieffflcd! to in paragrap.b (c) of section n'ine-
  - (a) in respect of any ship used by such person for the plit poscs of his itade during the year Or assessmeat .. an allowal WC equal to ten. I'Cr ccot of the cost W him of such .ship: Provided thait-
    - (i) where a:m. all under paragraph (b) or tUie cor. Eeipondi\_cg provfaiom of auy previous lnCQmc Tax Aoth as botili made to ||;LY tletsoo. fo m t of any 5hill: no alfowance sh I be made: Wldcr th:!s paragraph to such person n rest of t t ship for the year of any time used by mm for the pwposes 0 his trade; an.di
    - (ii) the aggregate of aH Ute allowances made to any JJCr:son in ,respect of any sp u.r this paii;-a,-giap paragraph (h) of this secon and para,. 8JaP!t.(e) of sciedon e even of corresponding promto.ns of any previous Income Tax Act s.hdl not uceed f.he cost to sllch penoo o such ship;

(h)

in the ease of a rson who dwi!J8,a,ny of <u>ass</u> menl concludes a OODb:act for the acq ms,l;tio.il by him 0 a HW (whether built or strU to be buiU), a a ship whkh. Is not new n.nd is pr,ov.al to tho s.-faction of the t:ary tor TranisPQn at au tiri.les in ih consttucdoo, to have bee:n maintaill.ed in the hishest cla spplkabl to a ship of ts at?,d who satisfies the Coon.er that the ship m q11:1 tioDJ is or will!be registered by h!m in the Rep!!blic and is or Wnt be llsed by lli for the purposes of his trnde as a fomgn oing sbi:p (as de.fined in scotlon t1:0 of the Melch,ant Shipping Act. 1951 (Aot No. 57 of 19.8), prio to its amendm::nt by the Muclulnt Shipping Ame:ndmcot Act, 1959 sl:lbject to the reservation that t:Ju, edecuce in para.gr ph (b) of the dtllnilion lb.ercor to a ship or more than one thousand gross Ster O!!, shaH be 00!!strued as a rek:ren\lei to a sbi;p of net 1 than two hundred gross re.gisl'el tons and :the the reference M para-

graph (d) to a sh.on-based whalilng boat s.halil be coomuled as a rdc rence to a. S:hore-based whailli g boat of fess than two hundred UQSS register tot1s) an alfowance in respect of that )'e3.r of a: sm,cnt equal to (orty pet eent of the cost to the said person of that ship (hereinafter refo:ned to :u the coot price of the ship), or, if at the time at wmcb the alLow:ancc under this paragraph has to be made the cost pric::e of the ship lij. Is not ye\ beel:1 determined, of Uu; estimakd cost Pfice of that sh;ip. provided. the said person satislics Ute Comm.i.ssio-ner that not less than forty per cen,t of the eost pr.foe or of the estimated cost price, as th cas:c ma:y be, of tho ship wiH be paid by him w.iduin. a period of two years er jf the Commimoner a ces, three years after the eoif of that year af assusm t or, if the said pers.oa does not so satisf-y the Commissioue:r. an aJLowance in r-espect of iniv yrzar of equa to forty per eent of the pOl'lioo,, if ainy of the cost price of the ship paid by h1 mdur.iq lhat yea.rolaSSC\$Sm.fflt" Provided tha:t-

- (i) the provisions Of this parograph shall not apply in rapect of any ship the re-gilstralion of wmoh ln the Republic in the name of the taxpayer comcemed does not or WM not constitute its iirst egistration in the Republic;
- fu) if any taxpayer to wbom an aUowaix:e equal to forty por cent of the cost price or estimated cost price, as the ca m be. any s'h!ip hwi bcm :made under tbls para.graph or the corresponding provisions. of a ny previous I:ncome TSI:c Act, rails to pay :at lea.st forty per cent of such cos! priec:: or estimated cost price; as the case may be, within the said period Of two or (as the ca:so may be) three: years aft the ep.d of th.e year of assc:ssmcRJt In r-espett of which the sald allowanu has bet:1:11 made; tlie said alilowa.nee shall be :included in the income of the said ttxpaiyer for Ute yeat of assess. m end endins: oni the :same day as thee said period,. and there shaH be deducied from the income of the said! payer for thait year OT assessment a:n allowance equal to forty 1)el' cent of the po-nimi, if any; of the cost prl'Qe or such s.hip p.i:id by him durig the satd period. and .from the h1co-mc or the said taxparytr for a:11:Y year of assessment thereafk-r aD a]low nec equal t.o IONY per ce.qt of the portiotn, ir any or tile co.st price of such ship pa[dl by lL.i.m. dori:og that year oif assessment; and
- (ii) if in respect of any year or assessment the Co'm.miss:iloner, i s .no fo:nger satisfied that a ship ia. respect of which ant allowance &a:s. been made unde.r the. procedbig pro, oM 0 this yaph Or Ifie corrtspon(Jjng pto vw om oif any previous [noome Tax Act (whether io the CW'lcn.t or :any preYious year of assessment) will be registered in the Republie or will be IIS'ed hr the payer as afo, w d, o.r if Jn any year of assessment a)!IY su.dl ship whidl has been registered in the Republic ot has been used by the taxpayer a:s aforesaid. ce&ffl to be so sicr.cd o:r used, or if in ally year of a:sses-sment llle tm:p yer ceases to be a person :rdc:rral to in paulgroph: (c) Or section *nine*, so much of the amowi:t of the said allownnce as is nol m terms of sub scellion (4) of sccu.o.n: eight required to be inchlclt:lt! in the taxpayer's iMome fo-ir (he current or any other  $\hat{y}$  r of assieu men. less such a:mowit as would. if this: para.graph had not been enacted., have: been Mowed to th= taxpayer lby way of (kductioos (m addition to lho.sc actually allowed), unde.r paragraph (a) of this section or para.graph (oi) of section elev.en or the oorresr, onding provisions of any previous Income

Ta.x A<:t, mtmr in the collirrent or any pre:vious year of \_\_\_\_\_shalt in h"rms or this pw-liso be included 11 the inl::0me of Ure taxpayer for the, cWJent year of as ssmw:

cWJent year of as ssmw;

(c) in laespect of any di:lwc which sllch pe £\$0n satisfies the Commission he: is [Hwy to mcu.r within five years from be c.nd of the year of asssme,nt

in question on airs W any ship wed by him for the purpoS¢!1 of Illis trade, such an allowanoc as, notwit'hstanding the prov.is.ions of paragraJh. (e) of secdon tlWl.ty.t ree. Ih.c Commission.er, havmg regaird. to ilbe estimated cos,t of such npmrs and the datic on which they are lfkdy to oe incurred, may 100.ke each year. Provided that aQy such allowance m respect of any year of assessment. Sibml be ioclu.dcd iiiii the incorn!! of the taxpayer for the rOHowi,:1g r of asswment, and tor tbH plillp ose MY allow nee m.ade in tCfl'its para,gr p'hi (11) of mb-secti t'I £2) of section. r/rwn Of the ll!COme Tax Act. 194!. 1n respect of Che year of assessmeri t ended on the thirtieth day of June. l!!l6lt s:b ll be deemed to have been made MN torms of lbis pai;agraph.

IS. There shall be allowed. 10 be ded!iietM from the income Pcduc:tio.m rrom derived by the taxpayer from mining operations=-.

{a}:an amount to be ascertained under the provisions! operation.

{a} :an amount to be ascertained under the provision of section. thing it, in lieu of the allowances 11 para gra; it is (e), () (o) of soction diven and tilb-section of section tivem, nll.cludm.g that Sl:Jb-kclich as applied by sub-section (3) of Ole lais t, imeat. foned section;

- (b) any expe.nditu:re incurred by the taxpayer duriQg the :ymr of aumment mt pro tiJig opera:licnas (including survey.) boreholesi, ltellches pjits and ol!ber cxpwal.0ry wotk prcl'iminary to the esm.bllishment of a miine) in respect of any area within the Republic in r t of which a mimng lease has not been gramited by the State, togethet With any other expend'ture which in the opinion or the CommlDsslioner is :iilcldtotal t:o such operations: Provided tbal'-
  - (i), m cbc case of ailly p=n-on who derives income rrom minin,g fer diamonds in the ltc-public, the C-0mmissiom1:r may .dctc:-00inc tifflt aQY mliture :refcm:d to in tb"s para..grap'l'l shall: be deducted in a seri!S of atmu.al .mstalments, so that @ a portion Qf su.cn ndit.m, is dmucted in the yee:r of assessment in which it fa il1Cwr aind the titsldw in such :subsequeJlt yea.rs ,of. aa.c",DICnt and in sucli .proporli?Ds as the Commissioner may dc tmb.llc, tmtil :the pen.di me is e,11;.Wlrgllished;
  - (U) in the ca:se of any oompany while derives income from dJre:rent classes of mimng of atioru, the d duc on uner this ha; a image. The be from the mcomc derived from web. class or classes of mining op, Er. Uions and m mch priopomon, as the Commissioner may determine
  - (tii) any expenditure which has bcc,D allowed to be dedw::ru:i fro:m llte ;u;ome of an;y person .in terms 0f this paragiraph sball not be Incb1dcd illl such puson•s caipiW: exipendiitu:re 3::s fined. hi iub-soetion (10 of on. rhtrsy-sf,X.

(b) O: seetiolill twe:nty. Jliree, tbcoo &ha lbe all.ow ed to be d. cd from the income of any dentist or medical practluon so much medical as tile Commi:, siolllC'J' ma:y alilow of any expe, ncllitUJe in curred by such dentist or medical practitioner if lhB Den. tail Assotiatm. of POS ifU South Africa, or the Medkal Association or Sourth Africa, as Sludy could the case mly be oertmes in such form as the Commissioner may prepared to the case mly beanner.

(Q) 1w. practis«i his profess.ioa for not less that three yeals; and

(b) has <code>il\_ncurred</code> such expe.1ilditure d!ilri:ng the 'year of a5\$C smtnt in msp(l:Ct of the: acitendan ce by lli:n of any post.ograch1aite study course approved by such. Al&oo1-o a:tion, to improve .his q11alific.atioos for carrying on his profession in the Republic.

17. Thtrc shall be almwed to any ag t ro:r the sale out.sldC th tured by the tmc:payer in the: m:ioi:n.g or far.ming) carried on

ed11,ctedl from the MCOM.C of oil or any taxpayer any expeo diture ac dily i llc lllrtoo by l!,im during die yeaf of ass sm t ul. mi on 'WJ the appo.lotmcn:t cf in appoil:IU!nl: Republic of goods manufac- agents aols Jdci tbai rse of any b:ade (otner fllan Rq,ubUc, him in the .Republic..

- 18. No<sup>™</sup>thstutcUng: the provw ons of para.graphs (a) Deduction In (h) and (g) of sectio twawty-three, there sbdl be aHowr.:d to be deducted. froqi Ole mcome mxpayer an al(owanQe not medica:I eD eJCceeding in the aggregate the sum of two l'l1:.11idrcd rand in pr.tCtll:fonen, 1:IIII'Sff1[I hemes
  - ;  $a_i$  any sum coot b ut  $a_i$  b y  $a_i$   $a_i$  uring rue year 0.1. assess,  $a_i$  or llo spital1. men'!: b.J wt'Ji')f of cnrrimt c:omtributions due by him. as a member, to any fund reoognized by the Com,. missioner as a benefit fund esta:t,tisbe:d for the sok: pUJiiose of defrayjac: |||| who,Ie or in pm any num: mg hom.c, ho:spiital. mci:llicat anal dental expelldJui1m whkh may be incorred b,y i'ts m1embm: ,and
  - (b) any recs which the Commisliioner i's sati:sfiied were paid by the mp yer-durmg the year of assessment to any nill ing home in connection with any conful emeat of his wife or to-
    - (i) any dentist or medical pmctitfoncr for dental and mcdica;t ser. \( \frac{1}{2} \) iccs: rellIdemi to; , ot
    - (h) any duly registcared nirning :home or: hospital in pect: of the illPm of;

tho taxpayer o,r his wife or bis chi[dreo or stepchildren refemid to in pa'C'a.graph (c) of atibssection (1) of section. Sa.

- 1JJ. (J) The pr4visi:ou of pa:raig,apbs (a) and (b) of section Deduc'tioos aa.d e.en d section r no, sh l, subject to the provisions !!r:=14 w:d ectiOJ.II (2) of this tioni mutatls murD'fl apply II.III rJ:.m vi s relation. to any moom.e <knved by an,y pmoa. 111 fhe form of diivid ends.
- (2') In r-espoot, of c.xperuliture aimd losses not of a capita nature inonrred by any person. (other tflain **a** company) in the production of his iR.come. from di-ride.llds. Ore amount to b< deducttdl under pangap-:1:is (a) all.ld (b), of section *el.eren*; ru applied &y mb d Fon (1) of dills section shall be an amoun which beam to the expenditwe and loss which but for this smb-section infinite have Mtm allow is to be deducted, tfle same ratio as tire amount sill'Ch dividends as calcufated aftm allowiQg Ghe ded:m:Cio<Jil andet sub--SGi;:tion (3), bears to the amou:nt of such divide.nets as calculated befom aUowm,g: .such deducti'OR,
- (l) In respect of income: in the form. of dividmtcls d ivtd by any person # than company tht'e sh.rull be allowed as a deduoti01111 in the dldermmation of d1, taxai&Le ncome of such person an amcumt represcallnig a pc:r,ccnup : of s'liJch dMdc:11ds calculate in according with the following scale:

Where, but for the provisions of this sub-section and sub-section (2) the taxable income of the taxpayer for the year of assessment in question— would not ed R2,.600			Percentage of dividends to be deducted 100 per cent.	
u	.,	R.2,800 R3,000	88 "	**
	•••	R1,000 R3,200	82 "	
		R.3,100 ,,, JU,400	76 ,,	"
		R3,400 , R3,600	70 ,,	"
		R.3.600 R3.800	64 ,,	22
	Ö	ru.s.00 m RA.OOO	58 "	"
		R4JJ00 R-4.200	52 ,,	
	٠,	M ,200 R4.400	46	22
F.		R 400 ,,. ,,. R-4,(,00	40	
n	u	R4,600	331	"
11		· · · · · · · · · · · · · · · · · · ·	3 55	77

- W. 0:) for the purpose of determino, g the taxable illcome Set-o!I' of derived l:,y aoy person from c:anying on any *tmdc*, within tM usessed lows Re,pnlbtic, the tel shaH 1,e :iiet olf against ttle income so derived bysut:h person-
  - (a) aoy bala'!'lec cf asse.sscd loss jncu.tted by the: tat;pay,er inJ a my previous year which has been, carried forward from thclmQCdliD.g of assts, mellt: Provided toot=-

- (i) no pe.i:wn whose estate has bec.111 volu.tarily or comp ulsorily scq1:1csmmd s:haltl. 1µ1;ss. the order of qiJ om !las ma set asi.do. b ci:Uit1Qd to carry forward ny assessed los-s ne-uru d prior to the dale of questr-a.tion;
- (ii) the balaD oi <u>assessed</u> loss shaiU be reduced by lhc amount or vatue of aoy bendlt r vtd 'by or ace.ruing to a penon resultiPJ from a 0011ccssic111. granted by or a compromise made wilh **his** credi1.ofS whereb:y his. liatillities to Ulm have: been red:u.ced or c::!:tinguished, provided such liabili(es
- same year of a:sswm.CRt in ca:tryitog on in the: Republic of the ordinary course of trade; wmc. ..., same year of a:sswm.CRt in ca:tryitog on in the: Republic of the ordinary course of trade; wmc. ..., same year of a:sswm.CRt in ca:tryitog on in the: Republic of ordinary course of the rule of a company the capita who,rcof LS childed mto slla.:RS.
- (1) For the purposes Of this siecl:ion ••assie\$Si!d loss" imanJ amy amount, as GMalblish.¢d to the satiisfuotrOli! of tha Com-Dl:JS\$.ioaer. by wlli"dl the deductions admi.ssib1Ie u:11dcr sections tl,ven to nmereen. inclusive. or the cmuspondhlg provisions 0 any pm,ious Income Tax A.ct exceeded thi:: income, in mpec;:t c:f which they are:so dmrl b1c, or, I' the contcome to Dins, meaas an as\$eSSed as dete:rmincd under to pros or section dtuty or the corre-sponding pl1ovi\$io.ru,of any pi:cvious Ic:oom.e. Tax Act.
- aiol amount payes ti U ... ha i i J tax all the cc by Deductioner gr,ccm.ent payeblallynhim unde: my hdiclar order order
- :U. (1) The amount which shaU, in the detemu nation of &nounu to be the taxable income derived Y any person during ainy year of !WR is to account as:smme t from QRYU]! on any trade (0thCX Uian tarmi!!! 8'.1 :1 nt Lmls be taken into account in respect of the vakle of any trading si.Ocb. stock held and not disposed of liy: Wm at the emf of such year of assessment" &hall be the cost pr iQ s-u ch perso!ll of such timding stock, fess. 11mm amount us the Commisskmer may think just and reasonable as representing the amount by which the vailue of such timeling stock, not being shates held! by any company in an 0-thet company, bas been diminimed. b, Y reas-o-:n of damage deler10rntfon, clumge in fashion, dtacast 1n the market value or ror a: lliy other reason satisfactory to the: Commissioner.
- (2) The a:m.ount which s.ha.lJ in the determination o,f the. taxa.ble income derived. by a:ny person d1;1ring a.Dy year of asseffJDeut from carrying on aoy t adc (other t1!an farminig). be taken in10 acc-ount fo res.p«t of tkc vahie or any tradtina; stock held and! not disp,osed of by him at the k-gfnnllng Qf am, year of assessment. shall-
  - (a) if such trading stock formed part of the trading stock of such pc, an at end of the immediatedy prc, ccding tear of asseume.nt be the wnolli!n:t wbfoh wits, in the detenn:imlioll of the taxable: income or such person f:o.r such preceding ,ear of assessm, cmt<sub>1</sub> tai cn int.o accou-nit ill respect of he value of such trnding stock at the end of such puotding year of :assessmtnt; Qt
  - (b) if such trading stock did not furm pa!!'t or the tradiag stock of such personi at, dw end of the imm.ediatdy pr di:nc year of assessmertt,; be the cost: p.rice to s ch person or S;uch trading stock.
- (3) For the purpo.scs of this section the cost priec at :amy date of any b 11.din8 stock in relation to a:ny pcr:son :shall be the cost in cuncd by such pel'S:on. whether in the CUD"Cllt or ar,,y i,1evious year of assr:ssm.e:nt in acquiring such nae.in'- stoclt.. p1us any ftH"t:l\text{l\text{r}} coo.ts incuffl'Cd by him up to and ir11dudiu the said date 0 ptting sucbi tradillig st.ock into irs then Jn1ag condllion or locatio:n.
- (4) If any t-radmg stock has been uired by any pem, ror no on sideraition or for a co45 ideration whilth is not measurable in terms of money, such person sliam for the plrPO.SCS of sub (3) be ; deaned to tia:ve: acquired such trading stock at a cost cqR1 to the prioc which in the opinion the Coin-

missioneer wa:s the current marke,t price of such trading stock on the date on which it was aequim:ll by such peLiOn: *Provi d* that any bonus slwcs: awar any oomJ)!Jiliy to sharebolders of that company ,on or afle. the:lirs:t day o!Clruly, .1957, sh.i!ll have no value.

- (S) 'For the purpose of determining the C'Ost. price of alliy trading stock,. uy person may if and as !ong a.s he maintaim records In respect of hi tr.uline; stock whfob; Oto Com ssi:111tt considers to be satufacto,y, adopt the basts of tra.dmg stock valnation wherennder the last ih!:m of any cl.ass of traiding swet purebellsed Illy rn y perkfn. of any date is dee.med to be the first iitem of tba:1 class. Ot ading stock sold by suell on or after that d!ate:: ProVJded that an y person electi. Ili lo ad!opt th,e: aforesaid bas. is. of trad"ng stock vafoafion &hall give the ,Commissioner written notke thereof when he rendm his cetom of income :ror lhe &st year of as u ment in fU; pect of which diic said basis i:.s adopted., and an, y such election sMII he bwding upo.n such person and may not be wtfiod by mm in respect or atty subseqlle. Ilt ye.arr or assessment. save with the oo,!!!:Sfilt of the Commissioner may deletmi e..
- (6) Any reference in Olis sectwn to the begi'nnmg or e,nd of & ya.r of assessment .incluides--
  - (ij) where 'the period assessed! [II bs than two],...c m,ontbSl; a :reference to the **begiJmiP,g** or e.nd,, as the casemay be, of the period assessed; and
  - (ii) where a ,ewrn is accepted onder die provfao to subsection 1(13) of section sixt,-iiX t.o a date alb.er 1:fl an the thirtieth day of June. a n:fcrcn to the beginiili g OJ et1d, as the ease may be. of the period oovered by the return
- (7) In this section .allly :referc.nce oo a year of all ssment i:ncludes. a refermec: to a year of asse-ssment under the IDoomie Tu  $\,$  Act,  $194\,L$
- 23. No dcdu. ons shall in apy case be made iin l'Upcet Of Dcd 1in.s ncn the foUowing matters namely-- alle'li'c' d in dete:mlJn.ll1ioo or
  - (a) the cost inCili.'Ud jn the mainlt'JWi.00 of any Ewtpayer. tua.Mi fllcomc. his family or establisbillCllt;
  - (b) lomestic or private expenses, including the rent Of or oost of ropairs of w expenses. in 00.JliC:tion with any pmim:ses not 0e(::]Jpied for the purpo.m of trade or of any d\ttlling-bouse or domts tie :()riCimises except in teSped of such part as may be occupled for the purposes of trade :
  - (c) any Ios, (if expense, the deduction of which wo:utd otherwise be allowable,; to the extent to which it is :rt:C<Wtt'ablcGdt.r any contract of insuran,ci., g,uarantoc,. s.a:tuity o.t indemnity.
  - (d) lihe taxation: !ewed on im.:omti;;
  - (e) income camtd to any reserve fond or ca.pitauztd ill any way:
  - U) any expc;n:se.5 m01:J rred 1n respect of any amounts rccei\'Gd or accrued which do not con,titutG mcoine as defined in section one.
  - (g) altY moneys cb:i:med as a dcducti@ from income derived from trade, which are not wholily Of cxtlusivety laid O!lit Or cxpeMtod ro the purposes of tr-ade;
  - (I,) interest which might hav:c been rnade on ainy capRal employed in trade
  - (i) any amount cw mid by a tupayer 111 siccoont of hij be/mig shareholder i.n a prililate n)i' i respect of tile taxable incom e of s:110 h eompan,y lhc deter...

mina.tfon of which re\$uits M an !1.\$.SC.ssed Joss.

24. If any taxpayer ha: T into any agricom, CJ:tt wJth am:y H!re, pmcbll>se or other perwA in respect of any proputy, the effect of whiob is othi::r:i.sreements dllat, in Ole case of movable proper!!rty, the ownersmp slila.11 pass providigfor of or in the case of immova'ble propeny, t'ransfer shalt be pa =no, nt fmmi Otc. taxpayer to that other person, upon or after the receipt p.roperty by lhe ta:xp yer of flu) whole OJ a cerilain portioA of the amount c, onarned. pay.1ble tc, the t:npayer und.:er ithc. ai «ment, tho whole of that amount shall for the purposes of trus Act be deemed to have :we.rued to tho taxpa.yu on the day on which the agree.me.nit was enternl i:ntc: Pr, ovided dtat the Col:nmiiio.ner, &g mnto C®s:ideration ilnlY all owance he has made under paragraph (J) of sexio,11 e/e,en may make S.1/Jeh ful'lh r allowance as under

dec.ea.r.e.d

1 c:h:cu:m'S'LM.oes of Ute trade of the 1.nparcr scc:ms to UIG bi m reasonable, in rt?Spe:ct or .atl amo1m ts whfo:bi are deemed to have accnu;d under su.cih a.gttb! cnts, but whwh have ncrt be!.en received! at Uile close of the taxpayer's aQQOwitin period= Pro\(\frac{1}{2}\)ide:d forth.er that any ,dlo wac:ee \(\frac{1}{2}\)iQ shall be 1nclu&d as income in the tax payell returns for this following yell of asswm.cmt and shall form part 0 his inwme ao:d I for that purpo-se any allowance .sran c.d in terms of section tweld)'-ltt'O of hcln.come Th.x.;\ct,.1941, i'ni respect of the year of assessQlent enck:d o.n tbo tlfulietb day of J 1961, sihatl be deemed to be DD al owillica which was mode in terms of this section.

- by or aceru{:d to or in favour 1.1!1.come of 2S. (1) Any income cd of any persoo in bis c:apaa y as the executor of the estate oif a beoefiwries ud deoco.sed person 9:.nd aoy! mount so r CC?ived or accrued which WQU:]d!lave n. 1/fi,cQ;m.e. 1/11. the hMds of tfle deOOlSc:d person een ived by or acemed to or in rayour of such per&on duriag his lifetime, s hali, t.o lb ex.tent that tbil: had "t been Commissio.Mt is satisfied that such incom.e or amount bu be= dcriv-ed for the immediate or future bmclit oif any ascttta.ini!d. beit of he tct of suoh d peno.oi, be deemed to be income Keei, red by or a onied to such be come or le ite. and shaQ, to tho e,:;tent NIH | the Commissioner is not | SO \$a ti 5fi t be deemed to he in come of the cstatt of such decease: d. person.
- (2) So mOch or die ammm.t of any expendiwl!'c incurred by or O.il bMillir of tim c.s,tate or any eccased peteon during any year Or assessment as in the o:pjniom of the CommiiS:S.ioner rclat to any amount of in.come de=med to be income received by or a:ocru.ed to an hrir or t,cga.tn of such d med pc:rsoo. in terms of s b/4ectioDJ (I) sha.Ui-
  - (a) mot be ta:ke.n into account in the determination of the: tanble income of such C\$1 tanble
  - (b)i bi, dec: lllled to be expenditure i.ocuucd by sucli heir o.r legatee during such year, and stal! I. IQ the C\ltemt dtat" are deduction of expet11d:itlJ11 e of the nawre of te expenditure b1 qiUUliOil is H®orized by this Act, ll1:1; taken in.to a.Qcount in the determination of the taxable. income of wC:h heir or ga:tffl.
- Q, No.thing in sub--section Osh. all be construed as i iing liabil...ity for tax Ji tes. pe,cit of the same ai:n.o ot both m lii= ha:n.ds of the estate OJ" heir or kgatee of a deceased person a.nd ia thit hands. of sud1. d.ece.a.scd person,
- (4) The decision of the Colillmissioner Bl v excreiso of bis ditert, tion: \llldel sub-section (0 or (2) sba.U be subject to objection and appeal.

26. The taxa: bl. themcome of any new son canying on 1 lastoral, lb'lffm.lJl.a'tio-ui de:r1vtd from such opetations. bill detettniin.ed Jli. accordance r:me :qi |wi'th the provis.ions of this Act but subject to the provis.iom of .l'.atow)J. Ibo F-mt Sched1dc.

- 27. (1) i'n the dc rminati.on of the tuabte income or any O-eterdnatiOll. of op ti\(\frac{1}{2}\)C tradigg society, as elrned fhe Co opera vo Societics A.of, 193.9 (Ace No'. 29 of 119 39).deme:d by Uill-t soc\_1,\(\frac{1}{2}\)E.y sodi=lii.es and from its transactions J whethet" with person, w.bo ar, e.m. mbe.rs com,panies. ot with persons who are n.o,t mscmber:s o'fth :s.oclery. the amoume oruy bbn.ll.ditribured io any r 0 ass.cssm ent to its memibels by any !iu.c.h society which is a dosed society as defined in s.ectiom ninc&y-,uVM of that Act s.1 11 be, !llJowed as a dedw:tion fl'mn the income of dlat socl ty M so far as such bomn docs noc e,;ccl!d an amount equiv.di:mt to w e-ten th OT the aggregate valu;c O the birsints s of su.ch society with its members du.ring SU'Ch year or a,ss:essm t, but :no s.11c.h deduction shall be slllowed in lhei case af am:iy cbi co-o,p b'vt uadiillg socl.ety which is notsucb aciosedSCCJet,y.•
- (:2) The receipts and accroab of any co-opmrnve .agricultmal society or <empall, Y, or fam, crs" special oo-opcrati,;rc compa:DY BS,d cfiotd in the saitd Act,, otller than accipts or accruals derived from trnnsaotions with pmo:ns who are not members of fl ty or company. :shaU be exempt from tu.

- 0) 'Ih¢ p.rovisioins- ot iub :s on (5) of :s ti,on ,:.ir,ery.uven of the :nid A« shall mrdatis mutamiis ap y for the purpose of determi.aiog ilhe tent to which the rie Qe;ipts and a.xrua.'ls- of any such oo..operativo aigrfcuhur-al society or company or farmer\$' special co-operative c.ompany have bem derInd from mnsaction with persons who are not members of sueb!Oci.ei:.y or 00P1pa.ny.
- 28 Notwithstanding anything 00J1tained in this: Act Dct.crmmalial:11 pl. of fmig:-term nSt!raaeei l.usiness by Y tax.payer who cam;cs 0!:! 8!!-f such imllnil<0 bu.ski.ea business m the Repubtie (whetber on mutuw! pnJl(l:JJpl;cs or otherwise) shall be deemed to be an amount. equ:ivdcrit to thirty pe.r cent of the yos-s income so dmYed, excluding--
  - (a) income pr-avcd to toe sa'lisfactkm; oftbc Commissioner to have 'been derived by the ilaxpayer from the investment of funds, attributable to any lon, g-te.r.m insuran Illu sum earne on by him in the Re-blic with arw pen-!Don flffl:d or emernent ansnuiity und.;
  - (b) in tome proved to the seuis&ction ot the Commissioner to have been de-rived by thr: taxpayer f«Hn the investment of fUIlds attributable to iadiivktual annuity contracts entered into by him n TeS-pect of w&i h anmu.itks are being paid and which a:r.c not connected with any 'businessca.tried on b:Y him in, the Republi'.¢ with any fund Jefe:rred to in para, pb. i(a);: and
  - (c::) o.nc., third of any dividends neelved by or oex:nred to him and. which aitir notinchided to in paragraphs (a) and (b),

which the Commissioner is satisfied has been derived by \$11Ch taxpayer from the, in vestment (metuding the feuling of any nfff.p-...,11). Of the much on his the leading of any Jong-term in 1181H31Dee business: carried on by him in the R lblie and of so much of his funds as are D!ieSlicd within the Republic in respect of any loo,g tenn insurance buil1:1e:s& car, rjtd. on by him ou:I. Side the Rep1i11blk.

- (l) Subject to the p.ro:vjskms. of thi.\$ Act the taxabJe in.come, derived by any taxpayer from the carrying on in *the* Republic **of short-term** insUfaRQC business (whelher 0 nultua:'l prhicipres or ot enwse) shall be dete:mrlned by cliafJiog against the sum old Jlemiums (including premiums om rei.ns11france) received in or a=•.ed o suclip ta:ipa.y.o.ji .JD II fr. 0 f the nsurallOG .I. any .risk, and oth¢1!mlOU:tUs derived orom the c-a:rryjng on .of .su.ch busin.ess of insurance in the R ubl the sum or-
  - (a) the total am.owtt of *the*; liability iocwud io respect of p.r.emiums on re.insurance;:
  - (b) th,; ictual a.molint. of the liab"lity incun:-ed ill! es.pee:& of aey claims: du.r-.!!!ll.g ths year of ass-essment im respect of that business of insurance, less the value or any cJairu, reoove:rcd or rcco'lluab c any 111tracl of n1surance,, 8Wlrnfl security or mdcm..ruty;
  - (c) lhc expenditure, not 'being ex.pem.wtm.c | falli1:1,g unde.r pa:tagraph(a) or (b), in.cum:d in resp t oftu.t builiness of insurance;

  - (e) Siliclii allowance as may be mad each year by the o\_mmiss:ioner fo res of laim,s wh have been um edl but llot pud! Provided that the allowance granted UJI der th.is. para.graph ill respect of any year Ot assussment shall be included a tot income of the tu payer in the fo! Uowillg year of messmell! t, and for that pwpo-se any alllo aneep nted in 11:emls of paragraph (v) Of sub-section (2) section elrlueen of the Income Tax Act, 1941. 1-n MS-t-of the lately of asswment ended in the: thimeth day of

June. uus•1 .shall be,deemed to be an alfowance, which was g ran.ted under dtis par.lp-ap h: Piovlded fulher that in respect Of the years of assessment ending on he thirtieth day of Jun!?,, 1962, :aad the thirtfoth day of June. 1'963, the ail'.lowance ul.td!u this paragraph shaU be fifty per ceot am.d seventy-Aw per osnt uspectivt'Iy of the al ow:mce: which the Commiss"on.er wouhl but for this: proviso haV(! allowed.

- (1) No.thing in Utts section contained sha1t b0, COJI.!!tm ed as Rlie':fog any taxpayiw from the: obligation to rend returns of aqy bicome (othet tba.n iucome to whwh the pr®ls a'JIJ ot su&-sc:c;tion CO or (2) apply) or from an)' !!iab:ihib' for taxation io r.c5pect of su.eb iocome or as <fuprwiog nys uch persoll of the right to set off agai, ut the taxable income de.rived .from thei business of insurance a.ny loss iDCU:Jiled in respect of any other business or a:n,y bafa.noe o:f loss: so iocu:n>ed which llm taxpayer woul)dl be CltltHled to set off under the provmoos of sub-section (1) of section 1, v.eno,.
  - (4) In: th.is. secijo
    - (i:) ""msur.ance" inclades reinsura; (lii)
    - (II) 'longst'en!n iru.111mncc business' ma.M Long-term insui-a.nee busfocss as defined in the Insuranee Aet, i3 (t No. Z; ol i 943) t i 11 S an)' busJl'!ffl which m t!hc opuwm of the COmouSSJon is medical aid insurance business C ondlucted on a oon aneeUaJiblte bas s; (Li)
    - (iu) "'sli?rt-tcr insurance bu.sfoest' means a :i su. c ibUSJ11ffl: Ofull!' than loillg-term !!11Sllt'3tlce bust11.m (1)
- 2!J. The taxable in Ome received! by or &x:tll'Cd to ot in 'i'axab161DN.me faw ur a my person from cmp]oymen,t io the public service of ,uMic test or the .mmtw.ay :aml haooour service Of the. Rtpublille iu respe-;t of such emp[oyment shaU incll!de: any payment made way of aUowa:n.ce. except paymens made to meet expeadilure incumed by such person fu oonnootioDJ with his official duties.
- When the business of aey pKSon, mher thalli a pmson ii)ns W'J')'InJ!

  oar.ryil:l,c; on the ib<||sin,ess of insmaooe ot any other person in on busms fflllQh
  ! pcct. of wbOSiC s.inw oatside Republic specia p11?vjdon nib cd
  is:made ondel this..TU: extends to aDiY ooumtry outstde the tiio:aepu c.
  kcpubli.c, the taxable inCOJJ:lc or assessed loss of siic.b per.son
  sha:ll be a s:nm which bean Ure same ratio to his totall net
  pr,o.6ts or total loss from all sollaces as the t.Uc may calcufated in the manner provi@dl in this Aet for the determination
  or taxabl in,co.:me or assessed loss. as !hi assets io the abllc
  bear, to his total asscl:S.: PtovJ.ded that If accounts. satisfuctozy
  to the Commissioner can be furnish.red, the Commissioner o
  the o. tupay=r may claim that the .actual taxab! incomti duived
  fN>m. iso'ik'CCS within the Re ptUblic or IOM il'JctliJTild Wilhi:n tfl:11
  Republic shall be ed in the manner otherwise provided
  in his Act.
  - 31. Foi:- the pwpose of giving effect to any agrmm, ent cotened Deter, minalkm: of in to ad gir on the comsporuling provisi of any pmyrous income cem.in i, imm

    Tax Act, th C onunis. siom: may
    31. Foi:- the pwpose of giving effect to any agrmm, ent cotened Deter, minalkm: of into one into one in the common of into one in the c

    - (b) if such 1)erSOJI patdeipa(es directly or iDditeotl,Y in the meiin gcn:UMI"t, co:ru.ro! or capital of the llu.1s.iness or the b or seller of such comm.odit;y i or
    - (c) if aDY otbt1 person putlclpa1es dlm:dy or indirfflly in the mana.gemen.t, control or <:apjtal of the bushu:.ss both of such :11.rst ffl'tioned person. a.a:d o:f s,ucb buyer ot" seller,

deterotine: the taxai&Je "ncome of such first.lilUlotioned: p:rson: as. if sm:h corrunodffity bad been purrobased or sold., as the CL\$e may be at a price determined ir.l a ccordance w\$th. the provisions 0 tl'le aSJecme!!!t,

32.0) Any person who car.ries on in the ItcpUibl\fo the A meet i111 the ibusioess oftrausmitli:ngmmages to pfu.ce,, so outside tmi Republic of 111.bmuiu by -submatins cables or by Y form or wfu:itss appara:tus eaiblo or whel u d.an be: decim.d to .bavc denwd th-ud"rom (apart &om any &usmc., ttxabte in.come derived rtomothe:r sour«s) a taublt im.:om,g, of

lelill right for every two httndw mnd payatde to sum person HI respect of messagts uansnutted from any office of suc.h [PmODI in the Repilblrc w.hcthet tile: 3:a'i.ORI.nt be payable liR or

- 0111tside tlile Republic.
  (2) For the pll!l]l(lses Or dlis section any mcssa s= which is delivered a any office iin the !lepu:b1Lc O! the person who il!S on the b ness ref to, ln sub-secuen Cl) for t:rn:nsnuss!on in all'.Y ma:nnu whatsoever iShall be deemed to bG transmi:tled fto:m Ulat office,
- (3) 'flillo provisions of this stetiol !! shall not a plyto any persoll so carrying on business who ree.nde.rs aooomns which m the opinion of tb.e Commissioner sI1:tisfaotorUy disclo se tb:i:; taxa ble i:ne om e. d v,e:d s pc n from the business camed on by him m tile Republic.
- 33. (1,) Any pe.r;zyn (m.0:t being a peuon OIlioarily resident at in the R:epublic er a company :registered., mana d or coatrol d ownen or in !1:te Republic who embark, pa:sse,agers or 1 o ads livestock
  mails r. goods m the Republic, as an owner r charterer of
  any ship or aircraft, shall be c:lecml!d to nave, denved the rerroJD or N.Sff?eaed,
  (apart from any taxable income derived by him from other d
  SO\H"ccs) a taxable income of t nty rand for evtry, wo bundled! ocrn old mille
  rand payable to him:oir to a!Dy a...g=ot on !us b= aiJ'f, whether tibe Repub!a. . In I mideot amount be paryable in or om.side the Rep'l!lblic, in respect of Bussengers Tvestook mails and goods so embarked on Joseph per:so!!!. who renders ru;:count j whio b 'q the opjnion of the Comm.imon r s mfactorily disclose thi::i iamble lincome duived b:Y him f:rom the cm.baiddng of paiss:en,gers or the loaiding of l'iwstookJ mails al 1d goods as aforesaid.
- (2) Mere fhe per.S<Yn so embarking: passen:g.im or loading livtstock, mails or Goods has no recogniud agelilrt in the R, epublic o,t'her than the mas.tel" of t11c sb p or the: pilot of the mcraft. in contt«:lion with which any such a.m uts are payabl=, or where the agent fails: to make returns of any such amounts poy.able in m.pcct oifany ship or,aircraft-

(a) the Commissioner *may* make the as;s;c55121ui:ut ft om such information as may be available to him,

(b) the blx thereon shall be payable to the Commissioner prior to the clearance a f the ship ora renlt;
(t) the princip I offi, cer of customs at the port or airpot. 1:
where since h ship?' aioornft is beial, c]eart1m sbaU have po""er to det,un the dearance until sa:ch payment is made; and

(d) 'upon such payment the master, pilot o:r aige!!!lt (as. die case may be) shaH be e:ntitfod ltlo a c:1ntil!catc from \$Uch oOicer or customs that thi., amount s.o paid has bee:n paid under thm provis of this Act, and soeh certi... ficate shall be sufficient waffll. Dt to such master, pilot or a,gent of the amoum so paid

34. (O Any person referred to i sub-section (I) who deril les section exploJtlDQ: mouom Jllotl\lre ilm5i, or fleaslag such tihns to oth antitoled in tho penon.s, or of Jfoensiog otibtr so:ms ro cx,lfbit or d£sptaiy Re.pu ho such fiilms, or i:n relation to the a msicion of :aoy advetttsJoig d1,nvo m matter for use in oo:n:nection 'With ch films. shall be deemed to from mm ImlInc\$s, or by virtuiil of coiUtad or agr«mcpt a tanfil'e im me equal to ao amo r.it arriv,ed at by de(fucting Oom an :amounit cquai to kn . cent of ttu:: Income derived by h m as afores.rid any e!(Ile.nd ture and tosses ,(other tha'D expe, nditute or losses of a capital ature) actually incuaed by himm the Republic. dluring t : e . r of aMessment uoder or by viin0,cofsuebcol1ttactoragreemca.

(2) The provis o:ns of this sectio sbatl apply to (ol:bcr than a company) who is ot ordimm[y resident 1n the Rt;'ublic all ole.1wry compl!Uly vi, oh is not stcred1, maug,td or controlled ia the KcpuNic.

35. (1) Any peff;QII of b ng a peuon wh() il ommarlly resident i a lhc Rre,publ!c or a 0omp 11.y which is tlegistered managed o controUed m the Re1pbIro) to whom any amount:. au •h(b) oif:sectton 11ine is decml!d to accrue maDil.sed or refm-td *to* m pat freeme deduced by him their either losthets, are the their talk te included in the: derilfGdl rrom that amount a ma ble in come equal of thirty per oeni f that amoullt :sI:lllila.r ,Pa,)!'meDU.

- (2) (a) Any person who incurs a liabllity to pay to any other person (not being n pim!o111 who is ordinar!Hy resident m the Republic or a oom any which fa regi'Stc«d. mann.g,cd or controlled in Ute Republic) any :amount e:Jerred to in pamgrai,h (b) of seletion rrii,c, o:r who r-ccclves payment of any s. eh amount on behalf of such other p(:m>' shall wid1in fourteen da y.s rokr Che o:f tM month during whidi the said il bUity is iru:urced. OJ tho s.lid payment is 11 ei...ed, as the csis.e may b!, or within such further pmodl as the Comll'llssioner may approve, Pl3ke a payment (whlcll sh0:11 be del!1||ff|| to be: alili sidwnce payment made, on behalf (such 01her pers.a!ll), 11.0 the Commin in. respect of such other person's obligatioDi to pay normal tax ror the )'Mr of asi.cssment du:rimg: which the said amount accrues to or is l'ei:e:iYe:d by such other peffo:n, cali;;idakd on. i Sitim equal to thirty per cmt of tbt s id amo\uU at ,mt i; ,tic of tax Sipplicable to the taxable in.come (OU1er than ta:xab]c, irncome de Jycdi from minilli! ope ra tions in 'lhe Repu b-lic) or companies, and shall nibmU to the Cornmis., s:ioner at the: time or sudl tax payment a declaraci on in SluCli, form as It.he Colll'missionei: may presc;ribe: Provided that
  - O)It the Comnditioner js satisfied th!Ilt the tax payment reqi(rcd to be made in tcnn.s of thb pa.n,g,ra:ph iii respect of th !!laid 3.iil O(U) has bctii'I ot will be made by any prmioa, the Commi5'Siom.r may direct that any oiber person who is in terms of tins paragraph required to make a ttx, pa yment in res ct of the: said amoml lt. shall. be te!ieved of the dUJty to make stlch payment;
  - (ii) fo•r U1.e p11rposc:s of Wis sub-s!C i a pmo hav,rig an acfd \$ ou 1de tile, Repubhc slmU umil the coiUtary is proved be de¢ffl,edl to be not o i1tarily rcsklciU i:n the Rtpu'blic or, in the c:a!c of a company, to be a ,company, which is: not ne gistered, mallia.gcd or cootrolled in the Re:p,ubUc.
  - (b) 1'Ny person making a pa.ymant to th. Comm!ssklncr in tttms. of paragraph (4) shaitJ, notwJtb:na n:d:mg any a, reement: to 'lire 0011lrary, be entiLled to dedu t 01 wrild1ofd the: amount of su:ch pay,mcDt from thei ;im.o!!nt which he is liab]e to [Pay to the aforesaid other pon:on, or to m::ov the amollnt so paid fro:m such '?lh?I' p\_emit) o reta in out of any oney that may bs m his possess,on or m.ay come to him as the ageEJt of sl:loh 0th.er pen.on an amD1mt nail t-o thei am.ouJit or suc'h payment.
  - (c) The provisforu;: of subssootiion (2) of sexio1111 firtJ s:lilall mutalb mr1Jandb appty lR respect of payments made co the Commissioner 11111 rms of pair.aigraph (o).
  - (d) A taxpayer on whos,c behalf a payment has been. mEtde to the Commissioner in terms of paragraph (a) !ihaU not be entitted to ccoover the amount 0 such pa)'m.Gmt from the person who under the PfOVisioos of para.graph (b) dcdllcu;, withholds or re.ta.ins the tunount M Scuch paym Imt and shaU be deeilled to have received lh.c amount so ded:uctcd or Witld,ehl
  - (e) Every p rs,oA vih? is required to make a pare the Comm1ss1.0.ner in terms or pangraph (a) shall be person ally liable for making such paymmt. and the amount iso payable ishan be deemed to be a tax dule by such person all dishall be Re overable from him jit the moinnel pregeribed. It is section nulliety.one.
    - (f) Nothing in Ibis siect:ioa co.ntai11ed :sh.al[ be 00J11strued as relieving all|Y person to whom die provisions Of S11b-section {1} ap ,ply from the obtig.ation to tc11dc:r a return c;if income for any year of assessme:iu or fllOm payj\_ng rax. Fo.r "4ich be may be liable or as d;-pnvJng lmn of di right to fl'Ov.e fo:r th purposes of sution one:lmmlr:edand 11 that paymenIs made on his bclu in terms of paragraph (a) in res pect of any year of assessment were jn excess of the amoWlt of Mrmal tax properly chargeab,te Wider this Act in respect of income rece:ived by or acmw t Q him dud:ng sucll year.

- 36. (O Subject to lile provikions: of sub sections (2) to M. Ca.tc,uJ thu, ot very the amomt to be dedw::too each reair det paragraphi (a) of uonjijteen in :rcspt. On of in. come from m(nin\_e operano.ns unrec! remed shall be, a.J.! amoMt (hereimute: referred. «, as the qnotic,nt) Waned of capita! obtamed by-
  - (a) addi.ng the oorance. of capital expendlihl1rc unredeemed minIn openiom at t&e commmcement of the year of assessmu.t afte,r subtrne mg therefrom any recoupm.c.n;ts received d"uWlig the )ftt fromi caJ?ital expen ilurt: (irres ctive of U.e data hen sult capita ex dtturewas Ot'Jgmaliy illcunc di), to amou:tof ttal expendihue:ran'king fur r demption incurred durm;g ilhat year, ud'ng sonnu:b of II h eapi:tal expenditure as fils deducl:ibic under st1b-section (&); and
  - (b) dividing the aggregate .amount so ,ob tained by the estimated .nmn ber of rs {ftercinafter referred to as the life of the mine) during which mini:ng ope ations maly be 1:cd to conLiwc.
- (2) Int the: case Of moomes derived from the working o.f any diamond ntines, there is shaU in lieu of tin qtil>tie, curbe dt<iucted in respect of the year of assessment d1:mng which the prodection of diamonds on mmtACcs. Uic amoull of capital e dil\11re incutted up to the close or lhat year of assessment, and thereafter in res,pl?ct o.f each s1tCCecd1:ng year of assessment the actual capital expenditure ii.ncu.rred during su.cb year of assessment.
  - (3) (a) T.im amou.nt to be deducted each year-und-er par.agr.ph

    (a) Of see lo.n fi/trum from come dtrived from. Ihe working or a new gold mine shall, in respECt of the year of assessment dl: Iring whiC: It such mine comme.ncc.o; the prodl let: ion of g()k!:, be the amOU! Ilt of capital expenditure: inCl: Ir.rcd up to the dose. of that year of asses ill Cnt the ac: tucal capitall expecindilure in our red durin.g: su.cb) CB.f of assessment.
    - (h) For the plllrpOsc of par.apl:i 6,), any amount ealC11'ra ted under paragraph (c) o:f the delmitfon of "capital ex thre" in sub-section (l I) in respect of any yei:r of as sessmmtshall be deem.td to be capital expr.mditIDc in.ontttd a fa.st day of such year of aisse.ssme:nt
- (4) Subjc, et ro tho provisions of su.b & dfon (5), the amount ro be deducted each ear in respect of im: ome de-rived fr.om the working of gotd mtnes otMr Olan new g, oJd mines shaU be an amoWJt eqw valrmt to t ty-\$even and a half per cellt. Che sum of the unredeemed baJance of cacpltal expellidmue at the beginning of the year & semnent and im capital expenditure incurred diring that year, or the () iollient resulting from dil\kling the said sum by the tifo of the mine. whichever i,s the grea(er)
- (5) Int du: case of any per-son carryill, go,n goM mlniilag operalions, other tb.an on *mew* gold mimes. who commemoed or commences the prod:u.clio.n of goh:l a.filer tllo tbtrty-first d!ay of De bert 193S, the amount to be deducted with oorctlcc to cacbi year of assessment. in respect of the capital expendiihlror, ltllcipg for li'edem.pijo,n incurred by th t pers:on.) prior to the date of commencement of sw;:h production shall, until the aggregate of the amoulus deducted 1s equal to the amount or such capii:l.l ex.pellditure, be sl!lch sum as WM when mlllliip:lied by ten o.r (where: tho frife of the mime as estimated or revised and r the l)'.rovisions of sulHec io.n (8) or C,} is 1 s titan. ten Y:ears) by the number of years m the life of tho :mine ais so estLmated or revised, be equ,d to 1he amoMt of sw;:b capital ex.penditure: Pr Mcdet that any C21lpital txpc;l'.lditu:rc in tespect ot whidi a dedilction is. ma.de:: uoder this :s111b-:stction shall not rank for dedilction undeuub-seci fon(4).
- (6) Th¢1'c sbaEI in adin adin to the qU(nicnt redented to in s,ib-section (1). be dtducted under paragraph (a) of section diffeen from income derived! from the working of any mine: 0ther ti.an. n coppe: 1 mine m the, district of Na a91.1afand ill the province of the Cape of Good Hope: or lhe dism of Lelab/: 1n the province of the TrnJ1svaru\ or a g,0H or dliam<md mine, tweJily•tlve pel'ccini; of the capital expeculitute in inrespect or such mine on or after U1e: lifteenth day of Marohil' 1961, or suich peromtage of the said capital expeculiture in excess of twe:J:Uy-five r t, (but no c:ecding, on hu:ml per c:eqt) as may be directed by the M; nisrer of Finance having R83, rd ul the circumstance: of the case to the fiteg; ee to which the product

of such mine is processed in the Republic and to the:: rceo mr.n=n.-dations of the reta:ry fior M"m.es and the Setretary far Comand! Indlil!itries.

- (7) In the case of income de'l'ived from the wording of any copper mint in the district of Namagualand in the province of the Cape of Good Hope or the dismet of L taba in the: provJnce of the Tralu vaal, there !ihia;ll. jn lieu o:f the: qu.oti t refurmd to in sub--sectiora (E), be deducted in respect of thit year of assussmellt during which the :pmdliii\_ctio:n of copptt community the Mol.nilt of c-apitail experubture incomed Up le tihe close 0 that year, of as'Sei.:tJDe.ntj and thereatter to respect of each se-cc dln g year of ssessm.ellt the ;actual capifal "PEndilhie incurred lihlrlq that year of asses,s.m:ent.
- CS) The ITIC of a mine s baU be determined by the -Oovemmenit Mirung Engmee but such determina®fon shaH be: subject to objedion I!-nd appeal to the special co\lit'l constituted Uinder Chapter III .:ts ir n we:rc a docis.ion: of the CommisstOni:r, alld where the l:ifc of a mine, estimated arid dewrmined as aforesaid; exceeds thirty y B the alfowante shaJlj 'SO long as the estimate exceeds tihat period, be: c oofat:ed on a period of tltfot.y years.
  - (9) (a) The life of a mil:lc shall be subje:ot to rcivjs.ion at the iostaocc: of the pmon Uabl.e to the tlx or of tile Commissioner, where evei:- ally meteria (alteration takes place in a.n.y ci:rnumsraoccs relating to the mine or its worichl,g inicial all'cets tile: life out the mha and shall otherwise be subJiu:t to revision: iwi ewty third, year a; fwt the Jast preceding: drim nation, and in amy sudd nvision the sa!fle:: pruyi'si? llS:shaH ap ply as. tn tile o.dg,icai determ! nallon orthe! fi ohhe: mln.e.
    - (b) No such 1,1evirlom shaH aiffect any assessment determined or any al!owanee made or presumed to have been made nder this Act or any previous law 10 the t xati:on of the profits of mutio:g...
- (10) Where separat; a.11:d dlisdnot mimt1g o perati:o11s are car:ncd n in mines 1h ait an. ot nt guouis, thLl! allow;ance fQt redempt1am of capital expendLt re shaU be computed sc:imratcly according to the es!imatr.:d life of.cmcll s1.1cb mine.
  - (11) Fot theipu: rpo.scs of this sr:ction-
  - c; cap.ita.l pc:ildltute! mi.mns----
    - (a) expenditure on sh fl! s1in:ldll(g and equipment, iochl:ding any single ewal or replacement of equi:pment which toge,th.e,r with the :Keessoi: therero exceeds in cost forty the usa:nd rnnd; and
    - r(b) **expendilure** on dewlopmem't, geoeral adm "nistr; tion ai!.td manag,c:m.c-nt (incl11d;iog any interest '!lid other ch'3irges pa)'albie afh r tlie thitty-fi:rst day of December, I9SOi, on loam; utilized for mining pu:rposes) prior to the eoinmenc.emw of production or d.uri'llg any period of non-productio.n, and
    - (c) in: the case of any new dec:p level gold m:ine on any Other deep level gold mine an amount calculated as n rly as may be in U1e maontrep:r:cscribcd for the calculation of the capital allowance: pro "d d for im sub-section (3) Of section ni, id ee:th of the Pucious and Ba. Melab Act, 1908 (Act No. 35 of t'908), of he Transvaal (fro this paragraph rdcrrel! I to as ®e Gold Law), at the mte of five per cent per annum on the aimounl of 11w 'thiutdeemcd balance of the aggregate of-
      - (i) the expenditillro :referred 'to fa!. para.graphs
        (a) and (b)r, exelu.ding any fohtrGSt and other charges on loam III!fr,tII6d to iIII paragraph (b), if the miae is n new deep le l loldl mine, or the hala111;; or capita] expenditure nored eemed jn terms of subsection (1) at the commencement of the ye:u of as.se:ssoo=1:lt during which tile mine is recogn.ized as a'l]ly otlim-deep velgold mine; a thee.x:ipen itmoreferred to, 10 pa gt:aph (a), ft'.he mtne ts any other deep ]evel gold mine;
        (ii) the s:INOtlinit | f any) allow d to rank as
      - (ii) the S: INOther it | f any) allow d to rank as capital m:pendhum fut terms of seeb.Q,n
      - (iii) any e pell itur, s i:Qcumd dllriRg any period of productron on dc'lelopment on any reef on whkli at tille d'ate of such imrelopment stoping ha.s not yetoommeinced; eindl

,(iv) il;Eia amourut ca]cutatcdi in tcrm,s. of th'is pan.graph up to the nd of the T of assesism.e-nl!: Uin:der thls Act or die Income Tux Act, 1941, immediately pieceding thli!I year of asse,sm.cnc 1:.1ndcr charge,

if the mme is a MW deep level gold mine. for the period from the en.d of the month in whi:Cl\
t expimaliture is actually incurred or is in terms of paragraph (b) of sub-section (3) deemed to be focllined up to tile eod 0 the year of assessment I ninediately pr, ng th.

a.ssemnenfi HI respect OT which the determinitmon of the tax.able- in.come drcfl"i\footnote{\text{l}}\text{l} d From the \text{lrorkiog} of sue.h mine does "Dot resiuJt in an asst:iScllli loss. and, if the min.c js any other deep Jcvelgold mine, for a period often years from 'die commmoement of the yea,: o.t asr.c:ssment dUiriog which tl:t e mine is reco d asany other deep le ) goM mine! P.rovJded lhat-

- (aa) the am.ou11t un.der this paragraph shall :not bt C3le'lllall?d for aiiy period duriog which minin,g opmitions are lilot carried on in accordance- with the mmis of the rele'i'ant. lease;
- (bbl notwith&tandling; anything t,o the contrary io any law oon!tain.cd. the anulunt under this a:ragraph shall iioc b ta m jato &cco!iillit for the purpose of calcullating the capital allowa'IIOQ provided for io SU:b-scetion (3) of set1tio111 ninet.een o:f the ,Go!d Law or for t he purpose of detefmining the profits o hi.cit ashate itS pa:yabfo to the Sta te fo terms of any min"n,gl e-l sc
- (c,) the provJsfon:s of s111b--soctfons (4) and (4)b.ts of section nin.ereen of the Gold law shaU, in so far as they can be applitd, a,pt: nlutaris mutamits for the purpose of determining the uoriede:mnlld bai)an-ce of the aggresaite of the iun.ounts referred to in sulb paragraphs (0 to (iv) of this paragraph;
- •<expc:a dirore on shmt :sf nking'• i.nollQd,es th expencHWR.:!!</p>
  . oni sumps, pum hambers, station.s no.d ore bins accessory to a shaft;
- ••ex diture" meaos net expendih:ir:e afler taki:ng in:to acoou:nt any :rcba:t, recouprnen,ts or rctl:l:m:s from a pen.dihue.
- (] 2) The baia:ni;e **Of** capital e:x.pen:diture unrcdleem. d .at the common.cemenit of the first ycal· or assessment chargeable: uad!er lh is. Act shal[ be Che balance QWn 10 be l:lmedecmed at the end of the last y,ear of :.sses:sment cba:rgeatlle: iUm:ler the Iooom Tax Act, 1941.
- (2) The amount aHowo.i to rank as capital expenditl1re 10, redemp, tion by the new owner under the provisions of sub-sectian (1) sbaU for tibe purposes of para pb U or the definition of gross irmcomo" in section on or for the purpos: ff of sub-se(Jtion (0 of :se,c,'tioa thi rt y-six, a:s the c..1,5c lnay be, be d:Cemed to be a recourpmem: t from CBlpital £X[Pemdh:11] re by the pim; on f rom whom owner.shlp, vas: ac quired.
- (l), If the value of the: consideralti:on gi:-..en or of the propetty pw:sililB where no consideration is given is in dispute. it may with the consent of the new ownOJ" b fixed by th() Comnuis:s:ionet amd shall fai ing nch consent be de:termbled in the same manner as if tTaoslu duty were payable-,

( ) The effective is alle at the time the change of o-wnmbip takes p'lac, of the asst is IPM\$ill:g shaU be: dimrmined by the Oov emmeot Mmms En:gin r who sha:U notwitbst3:ndiog the reptal of the Sccmul Schedult to the Tranisvaal Mirting Leases and Mirnera 1 w Amendment Act, 1918 (Act No. JO of 1918). for the purposes of such determination have all the pi:Dwers which were conferred upon him by the: prayisiom of that \$1:h\$ ute.

### PA.RI II.

## Sp.ecial Pnn·l-s.fonr Relari,11g to Companies.

**38.** 0) For the pnrpl)Se:. o.f this Act a compan'i shall. in Clusill91loa Of respect of e-ach year of assessment he reco,nized as either **a. comp** \$\$s, pllblic or a privatt cmnpa:ny, and! the Comouss:ioner sb:a.lJ uJ:iori lbe :requ e:s:E of any coRJp,a11\_y inform tbait company whether it h recogn lloo as a pubJic company or as a pdvnle ompl11lly.

(i) T toUo ing«impan shaH,:su:bJect to the\_pr<;>vis;io s; of section rlnr1y-1111ie, be rwog[ililzed as public compames, na:mely-

,(a) any company an classes of hose equity shares a publicly quoted oo Uit spe1; jl1ed date by a stock eJ(.c]la.ngc in he Ji.st issuedl under its author ty provided the Commissione:r i's satisli00-

(1) that the :stock exchange is: a recognized and be.ma fide st.()ck exchang unde-i adlequate 0011 trol:

(i) that the rulles and :regulatio1:1s of the stock exclnmge [ ] r gal!it!11g aitd oon muiag a ool:ati oni for Uie J>U:VCJiaw .uli'id :sale-of shates p o ide for tuU protlCctio of the interests of the: public in regard to dealings in the shares: or the oompa.RJ!;:

o:im ny's s[ares:; and

(iv) that the gcn.cral public was tllrou oui the: year of asse sment in question interested either directly as sll;uclto1dtrs iil the company or iruJireot13 as ercho1d«s in.any o ther public compa, in more than M.y per Oeiiit of r, class of eq\_U1.ty iiluu:cs iffiledl by the c-Ompany:

- (b) any ether compa y. not being ll private co:mpany as dt:ftned in section. Olle Immired amJ ftmr of die Com" pames Act. 1926 (as in foroe: on the twenty-si:db day of June., 1946), m poet-of which the Commissio:nl?f is satisfied-
  - (i) that the gmi m public was throag holit ii, year of assessment r.i question interested either directly as sbarehold1frs in the company or direct1:; as slla.T holders: jn anry other public company, in more tham fif1:y p;r CCN of every clm of Quity sha.lii:s issued by t:be r.x:n:opaioy; andf
  - (u) that the business. of die oompanry is c:oodu.cted and its: proi'irs ar{: distributid! :la 111chi a mamter th.at no p,Erson. enjoys: o.r receives or is entitled to enjoy or receive, by reason of siha relhd ding, particip:!ttion jn t h,e manl1:gement or otherwise. any advantag;ei which would not be eojoyod or received! by hi'm; recompany had been n.der Ilic trol of a boo ofdiTGOto:rs a.cling m the l;e51 J lterests of al d:s shareholders and had been one whfoh could have been. recogllized as a public company uode:r paragraph (a),
- c) any company which tlilc CQmmissioner '!s satisfied was incorporated to serve a, specified plilrpos.e-. bco Jlejal to the public oir a .s«:tw.n of the public if under th oomlitution o.f the coni.pany !\o sha:rcltoldei' is !\titled to pa:rticjpam in :tlle profits or i:ncome of !!bt company to an exlent great-er. than s>even per cent of t.he nomina[ value: of his shaehold:ing
- (d) any so,cfocy o.r ,company u:gitstefed uoder the Co-opMative .S0c.aHJes: Act, 1939 (Act No. 29 of lt39);
- (ti) any insurance society Q r oom, pany s11 ect to assess... men;t in 1: rms of section twellly -tight,:
- (/) any public utility company, established b or ull.demr a special! Act oif Parliament i

- (g) a oy company the sole or pd nci.pal bU\$iill.cn of which in the R. ubloo: is mining: .for gold! or dfamoncis a:od
- (:h) any oompany to which the provisions: of section *tMn:;-rllree* apply.
- (3) Le company which at d:lc spi::c.iill!d da.tc is n-ot ncogru as a publfo: company shall be reoognu:ed as a private com..
- 39. If owing to cha..ng" in the comtitl: luoA or sha.uholdhtg Red nadom the appbbte: paragraph required to be satisfied, or tbs company o t.o comply with tbt u9u:iremcots-: of that paragrnpbt the Commissioner mil.Y rioti€y the public officer of Re compuy that it will as from the next succeeding speoili.td daw be reeogn.imd as. a: priv.ate companiy.
- 40 The decision of the Commissioner in the exemise of O on and bis discretion u:n | d.er paragraph {a), (b) or (c) Or sulHc ti.on a. ppeal, (2) of section t/Jfrty-eig1U shall be :s.11bjiecl to ob.jectioo and appeal

### *PART 111.*

### Non-resident Shareholders' Tax.

41. There shalt be: paid for the oon.cfit of the Coaso]idattd Le,v, et RCvie:n'lile Fund a 'tax (in this Att JCeferr.ed to as moin.-resident d 171 , shucholdc:rs" tax) ilil respect of the amounts spoci:licm io .siection hold rs tax,. ferzy..two.

42. ,(I) The non.-nsi:deot shnreholdm" t.o,; s all be pQid Inromo ill reSpect o.f Ult amourn,t oflluWea. to cik.

(a) any dividend (excliding such portiona thereof as consists 0 an interim dividend) which has been declared by any company after the thirtitth day or Jone, 1962; and

(b) ao,1 interim divided the payment of which has been approved .afl:e.r "tbCit date by dle dlirectors of any C()mpany- or by some omer pt:TsOOi tmde-r authorjty oonferred by the mc=morandum and articles of assoclation of that eomeany,

if the sh;u:ehokl.er to whom. the: dividend o:r interim d:r.oidend

has been paid 0 is payable ls-

- (i.) at perS<m, <ither than a t;ompa.11)', not ordinarily resident nor c:a.rtyill's oo busioess in the Re:publ!ic:
- (ii) a dceeased estate referred to in sub paragraph (iII) or mgraJ?lt (k) ?f sub"5tction (1) of section t n t1ntl such dividend IS m kmls of il!hat s1:11b,pa:rqrapb exempt from normall tax: o:r
- a compa:oy not re,sistered nor carrying olli business in the Rcep nblic: or

the holder of bearer scilip, i:rr,espEC ve of \WherGle:i: he is :resident within or outside the :Republic,

and w s, a Mi.ut -hotder as at the date of deolai:ralJion of the  $dMde n_1 > r if ! ome aite oth t tlum the da!c of declination$ of the dirvldend 1s :specified as the date alt whi:Cb a slu:reholdu is required to be glstered to be e:ntitled to the divide!nd, as at smh othe.1' c:fate.

(2) The rion..; w.; idet1t shareholders' tax: shaUI lilot be payable in '1'e\$.1;1C:Ct of-

(a) so much of the amount of u iy di'videlld declared by a compa.oywhi h wa.s,in respect Qf thll: year ot :ment ended OQJ the thirtieth d y of Junet 1960, exempt fllom tmdistributed profits tax in tmns of paragraph (d). (e) or (i) of :sooti onfl/ tv-olle of t.hc heom {: Tax Act 19141, (hereinafl t trtrened r.O as the distrib'illting company) to a company not regtst u ed nor carcyiitlg Oil bus.il'lless in Ute Republic (he.ruinafter r erred to as the sha:rel!to]dcr company), as is proved to the sads.fac:1101:11 ofdte Commissioner to have, been d tributed by way of :In award bo!rllilS shQrcs out of income whfoh was d:eriv«l by the distributining company du:ring a ytall of assess.men:£ which ended a:ot Jater tillan the thirtiet h dayofJune, 1960j:

(b) so much of the amount of o.n.y diYidend, declared by the: clistril': Illlting company to the s!ha r.eholder company as remain; afle:r t!he d duction Uu:refrom of ;. sum equal

to tili::i amount (if any) by which tho aggr"tga;te of the amolllnts which were received only or rarued to the distributing compally affice the year of asses.smmt ended the tmrtiet day 0 JUZIJI, [960, and \vhidi. in he opinfon of the Commissio;ncl\ wer aml.abJe for dim'lf, u... ti<0.11 to tlic sh.arehot®r company by Way of dMdelld.

t ....ceds the ag,g to of the al!lounts of divid d (cxeluding th. i!! a lllfW'ld in questlon) declared by the distribtJti!'.18 eompagy to the shareholder com:pai:iy on or after the:s x.tGiffl.th day of Match, t961. ',n ...poot of which non--resident sharelloldc:,s• 1ax. \VIS payable u:nder this Act or tlile I:ncome Tax Act 1941 and

- (c) dividends received from c mpanics refer d in paragraph,s: d) (), (/) and Qt) o.f s11b-sec110n,(.2) of :section thirty-eight.
- (3) S b-Rttkm (2) shall not be construed as exempling from 11Dn-res.ideot shareholders' tall any dividend! payable by the distribming compal'!!f t O the shareho der c-.ompa.ny iG the spC(t of any sllare or by virtue of any right to p.articii:pa,rc in the income or profi(s of the distributing pany whl-ch the sbarehold company acquired a:ncr ihe date in:re:lalfon to therellnn of income of the distributing compatty for the y.ear 0 asse..ssment ended tilc thirtic.th day of June 19601
- (4), Fo:r the pwpo:ses of this section: "'dividend'" or "interim dividH.d.. indudes am, dividend or illterim divide:nd distributed by a company out of or by way of The capital Ittation of the profits of that company which had previously beet It apportion:ed among its stanisholwu's in terms of section 1 Jair1y-seW!1J Of the Im:ome Tax. Act; 1941 as the taxable income or in.come sub'Ject 'lio super tax orthat oompany or iln 1erms of section Itirt ew:n bis of the is id Act as U1e app0 ffionabfo jnoome of Iflat company.
- 4l. The person IJabls for tllc it:aX- shall be the person. to whonl I'tnon liable or in whiles!"; favour the amounts described in :scchoni *fo,ty.,ll,0*, ror true.
- 44. (O Notw]tbsta:ndjn g tile provisions of 5ecticmj ort r/Jree Jteeovuy cf tu iirte tax shall bi, pay;abJe by and reooven.d,lc from t:Jile pi::rsolils sci out be:Fettnder.nllmeJY-
  - (a) in the cue oif divjdc::nds dl.stdb11tabJe by MY comp.anry to any person whose address; appca;rfng in the sllare register of the company is oo,tside ithe Republic or to any Elokler or bear,e:;r :iCl'ip, the con1pM1y lby which the dw.1dcnd is.d.cela.red; ot
  - i(b) ill1 the cas.c or diivide:nds received by any t in the Republic on behalf of any sh,a:rc:hold« m'erred ro in stttionforly-lKID, t:he a.gent. so reooM:r:ig tbe djvidend,
- (2) For the purposes of t.hi\$ secili:on ,a p oa shall be deem.!!:d to be t:he agent of a sM1:reholder :roferried to in SCd:ion fwlY.,tn'O and to have received a divickDd wi behalf of that shaulwide:r if t hat person's address appears ,o, tile share register of the company as the registered address of tltc sbaleh let read the: d :vidmd wan.mt or cheq 111c m paym t of rtie diil'id:e:nd dis .. tributable to the shareholder fa delivered at t bat address: f;rovid that any person so dec,rned to be the age,nt of any sl1arellolder sbail as regnrds such sl'larehO!ldc:r and in :respect of aoy j;ncome received by or accrilling to mm or fo his favour have amd. etci:sc all the poitVtr\$, d1.1rties and responsibiliifos. of 3!11 .;igmt for =- taxpayer a'bse,01t from the Ihp11bli.
- (3) Nothing contained in ,sub-section (2) shaH be: oo:nstru:cd as rcUev.ing 3111y compa:n.y by hloh a dividend is dccbred from the duties and n:sponsi'biilitics im.pOSed upon it by secticin *n,iietY-,ei.glu* as d'rie agent o:f any shareholder or tnembe:r absent from the Repub]ie..
- ,(4) Any tax paiy.ibk in terms of this section by any company or a.gJnt tor aoy sbarchoJdcr may ber«ovemd by suclt comparay or s.m::h a.gent, as (h(I case may be, £rom the sb::ue'hoklcr concerned.
- **45.** The rate of tax s'.ha]l e s.C!fClll and one..half per cent **nr** kato of cu. lbc ti:l'fioll11us S[Pcdflcd in se<:(on j(ff(Y•ll«J.

46. If any amo: uat spoollied in section /oNJMwo has been no traville on received from a company which derives incore e from sources within: and outside the RepubUc, the tax payable in respect of characteristic to the amount of the same ratio as the sum of the nell profits of the company derived from sources widlin the Republic bears to the total sum of its net profits &riwd from aU sources last determed by lae CO'mPlimoncer for the pllr\_p,\$ of this Act or the Income Tax Act 1941; or, in cases m which then: bas been no )JJI!vious determination by the Commissionu, as. e.sifimated by die Commissioner according to sooh information 4\$ is availabEe to him,

- 47. (1) The co:mpany which in terms of paragraph (a) of Dllto cf ()M'ment Sliilb-scction. ([) Of section fotlJ"."fo.ur is required to pay the tax of 0111 any dividend saaJl pa.y to the Co:n:missiontr the tax due on su.clt dw.ide llld within thirty days, o:r wmlin such fi.l.rth.cr period as mary be approved by the Commissioner, of the date on which the dividend is payab 1; and s:haU fu:rnis.h him with a mum sh.owing the: names and add!l'eSSes of the persons (w:itb the am.OUJn.t in each case) to whom Utt di'llideod ace.rue and fo the case of dlvidtnds payable iiu RsFt, of beater rip the total divromds distributable to holdem of sllch scrip.
- (2) The agent in the Republic by whom the: tax fs: pa}'a.ble h o par traph (b) of sub-seQlion (1 o:fs tjonfM.tf"/ 11,r shall w:Jthi:n thirty days of the d!!ite ofd livery of the dlvJ&nd warrant or ol'leque: fa. payment of the tlitidth at his add:teS:S. or within such furth=r pe:riod as may be appJ'oved by the Cornmissioner; pay Ute tax lo the Commissionu and furnish him th a Jetlirn showing the amount of the dividen:d nd e name and add:ress of the person to whom i bas accrued.
- (3) Th!!iprovisions Qfsub-sections (1) and (2) shaJt not prevent the Commissioner from roooverillg from the: person lfai:,lc any tax which has not beta paid nod which th Commiss kmer may ascert.ain to be due, after the dates specified in the said sub-sections.

#### PA.Rt IV.

# Undslributed Projil: Ta •

48. S11bject to the provisions of section. Jift. J', there siiall be Le.w of pai for the: benelU of the Cnosolidak: d R.cve:nue fund itl undistributed respect of the year of II. SeSS ent ending the thiffielh day of Jone, 196 Z. and each succeed: io.c: year of assessment thereaft r by every private company registered or carrying on business fr. the Re blici, II tax (in tlds Act refeued to as undistfi but.ed p:rolits: tax) of fifty ocnts on every two ral: 1d of tihe amoulfit by which the distdbutable income of suc.h company e::::cecds the am nur of the dlvJdend!s; dbtrj&utcd by it duriB, S the: specified

49., In this Part-

Dtlini.tion, for purposes. of tbi!!:

(i) •"dJc,ficit" for the purposes of th!!! deli:nition O ,.\_t.ota[Parenet :Ero6ts" mean:S: a.ny am oi;mt as csitab!ished to the: sa Isfaction of the: CommiHioner. by Whfob the sum of line dcth1ctiom admis-sible io the detersmination of total-net profits, under this Act or ihe Income Tax: Ac, 194-I. exceeds the s.l!lm of tile amounts rro:m whiC:h tbey are so deductible and in rdation 10 ::. y yea-r of assessmen:t pre:oedi'ng that which ended on the tmrtiet: hi day of J1m.e, 19SS, or in rel'ation to any year of ass-essment cllding on our after that date in respect of which the company was not slibJct to uru:lritrib1Dted profits: t. meoos aoy almol:1nt, as. established to the satisfaction oif 'lh(l: Commiwoner, by whu;;b the sum of the deductions w hich would. have beelil admissibfa in lihe derermi:na tio!l of rotal net profits exceeds the sum of the amounts from which Ifu:y ,ould haw been: so dtdu:ctible ir:in respect of. Uie fkst-,?tentioned .lear of asses ment .aie pro.. v1sons of this Palit had been m opLmJ.tion or m respect of the last-mentioned year of a<&sess.me:nt tkc oompamy :had b m. sub ct to ulldistrillited profits tu; (iv)

(ii) ..dlistributa.ble inoo.m ". in relaitio:n to any compa:my in :respect o:f any y at of as:scssm mc:a.M die amo'UQ,t atrived at b:y d.eduetigg from the \$wn .of .....

- (a) U1e total net profits. 0;f ille company rm the year of assessment; and:
- (b) at am911:nts ded:utted in terms of paragtaph. (ill) of this ddimuon or the com ndiAg provwo:ns of any rmous ome Tax Act in Ute dimrmin.a.tioo 0 Uie company':s distribu.tab?e iin.eome, wlu ther in the cu.m:.nt or any prevfous year of asstssment which have been recovered or recouped by i t dllrill:g the curren:t year of ass-ess.meot,

the sum or-

- (i) any 1:a:tes on in.come (c- c] ding um:listti'buted p.rofits tax) pa ya:bfo by tlu, o:impm.y in respect of all amQU;n,ts, iru:Imded ill its klml net pr,ofi ts:
- (ii) am allfowanre equd to forty pe:r cent of :so m ch of the :sl.lm of the ainou'i'lts :rcf'erm! to in para graphs (a) and (b) af this defimlion as is oot attribu:ta'bfe: to the incbu:ion in the profits of such under the company of ny dividends received by or
  - (Hi) in: the lease Of any t; ompany which, whether in the: current or in any pre\'io'lls year of assei,; sment, bas condmiedl a corntr.u.:t for toe acquisition by it of an:y new or ucililised machinery or plant a'ltld which satisfies the Commission thiat within a period orthreEi year-s. a Jre-r the end of the cur.rent year of .assessment such machinery or plant will be b, ought in.to us by it for the purposes o.f its trade imd w.i:Jl be 1;1scd b it di:roctly in. a process O man.ofaeture, an :ailIDowance in respect of the ummt year of us:ess!!cflt equal to tho Portion. If aoy, I the ct p:ruie: of such. acblner-y or pl.mt pa d by rt chmng that year of asses.smcDt; Provided dlat-
    - (aa) an;y company may in r=spoc-t of ai)jl uch new or unused machinery ot plan.t elect to deduct as an allowa:m:e under trus paragTaph, in respect or the year of assessment du:nng which sud1 macllinel}' or p mt is brou.ght in:to u.cSe by it for the purposes o.f its trade and is used by it directly in a proom. of maniu.. faci."I're, an amount equal to the cost to iit f web ;icJdnezy Ol:plah: whic! ,anowane sba l be in lieu of nd aot ut add# Or fo any aUo'\.VtulceS to which such company would but for s-uc:b tlection !lave been entitled unde:r the preceding: provisioos of this paragraph in respe(:( or :such mac:hi:nery
  - (a) of this provfao), o the con-espondince provisions of any privious Fince, many sumoflot has been allowed to be dedleted under this paiagraph (Other than an amount rdemd to in paragraph:

    (aa) of this provfao), o the con-espondince provisions of any privious Fince, me Tax Act in r-espect q any me, hemery on plant, and suelli ma; chin or plant is not bill) ll, the finilo use and u d by such company directly of a process of manofacture within tftree years after (lie endl ohuch year of assement suell amount shalf for the purposes. Of includes the company directly is a manount with the Comntwioner is sauslied should he here subject to ta; for such year of aissessment and which here ais missed to tax:
- (w) an allowance equal to thin)' per ceut of any amoun:t which has ini terms of s:ui!, pamsgraph (l.), or paragraph 1:S of U1e First Sc.h edulc been h1ciuded in the in.come of tlic oompaniy for the -year of assessment; (vi)
- (iii) ""fair value", in relation to any asset means the fair marke, t value: of su,ch asset.; and in the det rmblati:on of the fair ma.rbt value of any asset regard sbaU be h.ad, lnleJ>tllia,-
  - (o) to any sworn valuation of the asstt which may ba: filmi,shed by ot on behalf of the company concemed;

- (l.,) to any valuation **OT** the asset made *by* any com... l)Ctc.nt aodl dkh:itc-tested pemin appola ied by the Cemmi&sioner; and
- (c) to uy other Rlcvan;t rac:ts within the know! gc ,of tb.c Comml§ioJtcr o.r til-e company oonc:emed whim either of tJul!m. considers could. rusoiabJy be takeo ioto account; 1
- r-Paid ,uP i:a:pital" (e:<Ct!! pt wllete t txprfflion\_ i:s used In ap:aph\_ (a) of slib-section (2) or stet.ion .fifty-fllJ0). 10 relation to any company. means the nominat vatue of the paid up COJ.ifaf cf that cc:xnpany re u.ccd 1s prfflljded in the, smdl pa ragra\_ph and excluding so much of the: nominal vaitu of any boaus shares as did 1110:t r.wk as a divide:nd in u:rms. of paragraph (g) of tkc definition of odjyide:1id " m section one or the corres poodliftg pi:iovisioos of any previo'lils I:ncome Tax Act (iii),
- (\'.) HSJ)COfficd period ., in respect of any r of ass slllmti, means the period of twelve months ending six: m.0!;Itfls after the specifict! I date for that yem of assessmc.nl as detined! in section .one; 0)
- (vi) •• tow d U profits", in refatlwt 10 an.y c:ompabY i n. respect of anr ymr of assesml!cnt. means the net pmlit:s of that company far :such yeat' of ancs:smeat ca.k. ulateil in 1!he manner prescriboo for the deter-nn.ati.on for normal tax purposes of taxable income in i'es.pi'lc t of that year of asSICssm.cnt (wit.bout applyi:ng: libe p:r, ovision.s of pamgmph (a) or subsaScction ( 0 of stetfun tilmin, but i:rus.pective o fwhelttler the, plinlits are derh cd ftom a source within or c:utsidie the RtpnblJo, and subject to the inclusion in the proftts of such company o.f alil dividends from wh.Meve.r scrutt:tll and any amsounts referred to in paragmphs. Qi) au.d (i) Of sub-section (J) of sootion ten reocived by or aocni-cd is such company d11ri Sl!ch year of assess nient a[!:Id all amounts dcduotcd 111 ttrm.s of paragraph (a) of this defioition the OOmipOnding pmvifons. of any previous Income Tax Act in the determination of the company's total n« profits,, wil Mt ih the <=llnent o:r any previous year o:f assessm which
  &ave bcc|n, rec:o,vered or recon:oed by it duriJiS: the</pre> cunent year of assess:mmt; Itss the following amounts. oomcly-
  - (a) any expendl:tl1:re (other than expet:1:cti(!UI.'0 of a i;apit:a.l Datu.re) whkh is proved to the :satisfaction of the Commiss:jonct to llave bem actually and nc,ccssanty incun-«J by the compan;y during the 1GM of as:sCSUltnt. in ilhe cour&"e aom by reason of its ordinary business operations. In which bl:lt fo.r this paragraph would not have been allowable as a dcduction fo Ute determination.
  - (b) any deficit j;ncur.red by the company which bas been brought forward from the i,re1,eding year of ass:es.smcnt: Provided that the d c.it shall be redluoed by the amount or value of any beneft received by or ace.mi ng io th£ compa.oy sultin,g from a 031:1eesiiio.n granted by or a comprolllisc made with snch company's cooditors whereby its ilia:bilitie-s o th,em iilave been red.uced or extinguishtd;, if s,;ich !iab:ilHics: arose in th.e: o.rdmary oonJSe of trad,:.. (v)
- 50. 1'hm than be e;empt from undfatd blitted pro6ts ta:x EamplionJ,i
  - (a) any association: rcfmed to in. paraR,ta phidefinidon of 'Q0mpmy.. in section oJre;
- (l,) compruses in :respect of which lint prc0visions Of :sectiOl\\$ tl1Jr1y.mo, ||driy-/011r| an.d 1hfrtJ1-,.six an: by virtue of tht defi:nition of "total inet profits•• in section

# (iv)

- Jorty-nfJie :applicable to the dctc:rmirn. don of that portion of die r total net profits wh.:ic.h. fa deriwi:!: from their pri:nci l busine:S'.::
- (c) any company in ""-hich shar-cs representing no;t le" than seve:n y-fiw pii::r cetit of suclii o::,mpany's. 1.s u capital ata llelld by one r more compa.ni in ire:sptet of w hich tile: provfaio:ns of iection shir ix are Y virwe of the: ddini:tion of total net profits in section forly.nilie applicabl'.e to that poriioR or: their. t? tal net profits which i.s derived fro:m their prmo pal business:
- (d), any company which satisfies the: Commbs:ionCJr that shares f;presc:mullg not less: than fitly per cent of its equil.y slm:re c.apjtal w=re throughout Ole :specified perfod b d by on.e or mof:C pc:r..ons: (otbCJ" than companies) not oJ"d.mar: ly resident nor ear,rying on bu.sin.as in. the RcpubJi'C, or by one or moll'"e mpures, ngisteted 1:tli we th!l; R.izpu:blic and d riving the grea.hl:r portion of their proots for the year of .JSSessmeRt in: question rrom. sources not wjeltin or deemed to be within the Republic or b, y on e or more nch persons (other than com.pa:n.ies) and on e QT m.o:rs such compan es: Pfovjded Iltat tor the purpose of dermrning, the portion of its prOfils while the trial been derived by any compan:y Oom sources within or de:emed to be within the R.eptilblic for any year of assess:m..ent there shall bt included in die 1.... ills. d!rivcd by such CC?mfany from s?lllCGli within or d lli!ed to. be within the Repl:1bhc a s. wtll as in the profits. dcrJvtd by it from atl sources du:rjn;g SiiiCll. year of assessment die amoun:t,, iif amyr by which the dMden,ds received by or accrued to sud1 compallJy d1.1rin;g such y,ca:r of asse ment rrom ally company registered to the Republic are Jess than the dividH,d:s which would halie becm r jv@d by or would tutve acc:niod to such firstmentk>n.cd company fro:m such company n:gistered in the RepUJbUc 11 the fatter had distributed! by way of divideRds during such year of ani amount equal to mot less lha:n thin y pet Cfllt of its total net p rofits for t:ne saiidl year of assessment;
- (e) any' comp.an y *re!iis: li'ed* outside thi::: Repnb:Efo which catties on basin• s ht lite, Republ ie .md satis:li.C\$ the CQmn:iissioncr that not more than fi1'y per cent or :its 't<!taf mt :er fi.ts for tile )'Cat of . ess:ment i:n qruestwn lff:l:\$ de'J'liVed from s.cn1:rc.es w1thm or deemed to be within the RcpubJtc;
- (f) any com.PaRY (other than a compa.ni\_y whose: tola lanet profits a.(.e derived soJe]y or mainly fr.om di clr:mds} which satisfies the Commissioner that tin.st M'lollilit ari:'i'ved at by dedueling firo1t1 th.e s:um of a:11 its reserves: (i11:1c.lu:di:ng any sha:rc premlium accoiln:t) and balance or piro6u 11oapprop11ilated as a:t the specified date, together with a.R amou.n:t equ;ail to so much of the nomi:nal, •1.:due of any bonus shares aw.luded to shareb:o.ldc:rs on or after the first day of July, 1957, as did not rank a.s. a di\idendimeterms: of paragraph (g) of the definition of dividend:" Jn section of paragraph (g) of the definition of dividend:" Jn section of the ei:,nw s;,ondlng prov-bioi:.s c.lf any previous lncomiil: Tax Act, hei sum of the dfvjdend d:istributtd by such compamy d1u(n g tbc last six months or the specified period. an.d die taxes on i:ncomo- (lud[ng undj!!tributced profits ilax) paya.bli:: by such company in respect of al amounts imeluded jn iu w fa,] net profits for the YHI of assessrrumt in que; tim d:id not e:weed tbe greater of t!he followjo amounts namely-
  - (i) 011e hun.dred tho amd: rand; or
  - (ii) forty per QCDC of sllch oompan:ts pai.d :up Cllllpitll as a:t the s,pccjlj;td d.ate:
- (g) a y company whose total met profits for the year of assessment in g111estion dld not exttild five per ce.n.t of its paid up capital as at t'he sp ifiod date;
- (1•) the Sol1th Afr.ic:tn.R.cst l'\IIO Bank, tlae National filllain:cc Corporation of Souitl Africa. any buiMins society

- and my compa ny registered as a banki.Qg in:stit11tioa under the Baicikicg Act, 1942 (Act No 38 of 1942);
- 0) any com ny llof.wihosc4:4.uity!ihares wcre throllghout th speQffi.Qd pcr Qd held by the Governm!!tnt or by one or m-ore private oompui'es which aitt them:selves exempt from this. tax in ktm.:5 of this s tioQ excl11ding paragra:phs (/) and (g), or by one or more pub.lie compwnes ancf one or more su.4;h pn\fatG companies or partly by one or more public companies or such pr.iva:tc eomp:mi.es and partly by pmons olbet than c-oMparucs if, in U)!! ease or any company whose equity ru-es were Tii!y held by .soru ?liw!: tllit Oi companies as: .afo:r!esatd the Commi SJoner Js satis'fied that the company would have been recognized as u. public compaey in terms of p:n-agrapl:t (a) of subsection (l) o.fsectioni thfny.eJght for tile year Qf:!ssessment bl. qllcstion if the shares hd:d by pm ons other than companies h.l.dl teptcs!?i!!!Cd. tho comp!!||||'s total share capjbl and thee, holdi::,rs of the said sliu I a:d been the oompany',s only shatcb.ol de:rs.
- 5!. The Comnw;sioner sfllaiU after the close of the specified period iss:l!:le a:n assessment to the public o:Oicer of th.e oompa.ny of the .am.ounit by Whicl.t the d:ismbliitabl .mcOtti 'ill lot an.y year pro m. of assessment exceeds the dividends distributed by such company dll!riR(g :such specified period and sl:taM static in s,1:1eh assesstnCllt the am.onnt of tax. P,3,yab1e; md th,:, place When-., amd the da.tei on which. such tax shall 'be paid.
- - (a) that portion of th,e total net profits which was derived by iflile oom pGny during such year of assessment from soni;-c¢iS withioi or dce:m.ed to be wi in t&tt!! Republic rep:res:coled the: co.mpaots to n t pri)lftts for that year of a m.en.t
  - (b) the SLIQ of tM 00JQpany's m;erves {inclurlling any share premium aocount) and ba.lance of p:rolits unappropriated (together with an arn.ouot equal to so much of the nominal valliliii, o.f any boous: :sharos awimkd t-o share.holft on or al)u the first ,da y of July. 195'7. did not rank as a dividend irni kmis of paragr.aph (g) of the defililition. of "dii.vidend" in., cetion one or the concespon.diq pro visfons of any prewou.s lo.come Tax Act) which, in thei Oflinion or the Commissioner are aU.ri butable to its business in the Republic represieeeed the sum of a.II its :rese (including any sbare premium aocouot) and balanoe of profits unappropria.ttd (t.o ther with an amount cqll!ru! to so m11.1ch of the noDtlnaJI value of any bonus shares awarded to sha:re'holders on or ailler tliri :fint day of July, 19S7, as did not raDik as a dividend as aroliCSaid);
  - (c) rltc: paid 11.1p capha.l: of tile company as. at the specified date were equal to an amount which be-ars to sum company's paid up capital the same mtio as its as ts in Uie: R.e,PU&1ic bear to its tota! as u;
  - (d) the compainy had dis.ui buted by way of dividends during the specified period. or any portion theor an amount which bears to the amol'I.D.t of the dividends. if any, adtiaHy distribut by ic during wdl perfod. or sueb position thereof, sis the caiss may be, the same ratio as that portion Of (h,., total ne profics, which was desrly d bear the: C()m,pany during such year of assessment from sources withln or doomed to be within the Republic beats. to the ootl11pants total net profits for that year of assessment,
    - (2) (a) If any coinpa.111 has t"ffii,w d as consideration for the issue: by iit of any sba i such 1;:;ompa,gy a.n a.sset other Miao. ca.sh. and the Commissioner considers

t&at the: fair value of such ssitt as at the da of the isslile of the shitk; was liess than the nom nal ,,,alut of soch share, the paid hp capital of slich company sbaM fO'.r the pnrpoSll:S. of this P rt be reduced by the amount by which in the opinion of lite Commissioner the nominal value of such share exceeded the fair value of:such asset as: -1t the said d!a.w.

- (b) The pro, visfons of paragraph (a shaU. apply mmatis nmtondis whe rc any compooy h s received an ya.sstt as conside.nu.:ion for the paymern, t by it of any amount in cash a:n.d the iss .1:1c by h of any ,share in sm::h company.
- (c) If io terms of any agrt etl't the pu, ch price (or any portion th of) paid by any company foi:- any asset acquired by it haid to be ilJilPli in the a.oquis:itio.n byallyperson:ofa:nylllatesto be ts.sued by such.company, :bat company shall, to tke teat to whi.ch c said pl.llr cllastp:riccwas rcq.1.i"rcd to be: applied int.he acquisi6o.o of Stroh shares bi detJUed tor the purposes of paragraphs. a) and (b) to rulve: recei"cd U'e'h t a.s coa.si.derati0||| for the i ue 'by it of su.ch sha.l'¢5.
- The decision of Uc Commission in the extTCise o.f his<sup>0</sup> .afld discretion uruler piuagrn.p& (a) of the definition or ·•rota[ appear profits" ia &ection for ty•nim!, paragraph (d') (e) or (/) of s,ectionjifly or paragraph (a) or (b) of s:ub--section (l) of ction fifty-Illy shall be sibjed; to o jectioni nd appea,!

## PART V.

## D..o.11atlans To.:r,

54, Subjt:Ot to the p1.10visions of ion fifly-&ix, there shall be, pac.d f≈i'l the benefit of tihe CoiJllilol1dattd Rc.Vt it U.c. F1.1!iid a tax (in dlis Act refen-ed to as donations tax) on the tum11lail[rv,c taxable vaifue of aHproperty dis.posed o:f (whe-tlter diredly or iDdirootily and whether i.n uusc or n,o,O under dorciations which take effect on or after the fint day of JuJy, 1961, by any per,on (in lhis Part uferred to as the donot) who, in lie of a person other dlan a cornpany, js, ordinuUy res.id ot in the RepubUc, or, in the case, of a compamy, i:s fe:gisterod, managed or controUed in the Republic.

tns ia,;

55. (I) In th.is Pad, unlm the c-ontex,t otherwise j11d i tes-

m:/:

- (j) ••c111tu11lab"vie. taxahle var11.e," pi.eans the sum: of the f;:rl'. values. (cxehid[l'!g nch values or so.ch po,:n:ionrs of such valuts as the: case ma-y be as ar,e exem pt tlllom don:i-tio:M u;x, i:n terms or section fifty-six) Of an property disposed of by any pel'SOII umder donations which take effect on or after the first d v of July, 1962; (iv)
- take effect on or after the first d y of July, 1962; (iv)

  '."do.n. n" rnealls a y gratu tous disposa] ?f erope:rty

  mcludm.g any gra bu touis WiUVCf Qf ren.umu:1ation Of ,r

  right: (v)
- (ii) do.nee means my be.111e6ciary under a do.nation and iDclud,cs, re proput.y hais been dtls.eosed of under a dlooatio!ll to any trustee to ibc administered by him for tllc bcnc,fit or aniy bene:ficiary, :su.ch truste: Provided that My donatfolu paid or payniolt b!Y siny En.llstec, in bis capaciey as such may, notwl thstandlillg a nything to die <:011trary OODibtin.ed foi the trust deed ooncemcd. be reCOVC1icd by Jdm rmm the a-ssi:ts or the trust; (1)
- (iv) 'fair matket value' in relation to immowble prcope!rty

  10 11 which DQTla fllk farming operations ate be.iog camedi o.n means. at tmc op!io.n of the don.or, either-
  - (a) the fair market wfue the FWf;; or
  - (b) an amount to be dellerm.ilil.td .iu | rdan ce with the prrovisi'oru o.f sub, section (2) as :repJCSenting the aggre, gate of the fruir agricult llra1 or pastoral value of tire liaad 1u1dl the vat'l!le whlol aqy impound to ne'h vdue of U,e fand (which aggregate is bt:,ejooffe!i referred to M the SIfit" oe- val c)

togdher wiUt the fair market vmu.e of any mm,c,ral rights attaching to the all.d, as at the date upon which the donation takes dect.; (iii)

(v) "'pn pe!ty' mea.11S any right in or to property movable on immova.blc.i coitp(lreal or m.corporcail, wheresoever :sin.latcd. (tiil)

- (2) (a) In the case of any propt:tty in rc.s\_pect of which the donor clects the value determined in a «or & nce with paragraph lb) of tM dcJin; ion of flfair market va!1e" m sub-iecuon (11 the donor s.brul. dge an a\_wlica, tion ilil the Iiisc:nbed form in duplicate: for a de, termination o/tw; surfac.oe vaitue that pr, op, erty with the !Dagistirate of the district in which s\lc:h pro:perty iJ sitUsate.
  - (b) Any magistrate With whom :such an ap¢icatfon has been lod di shall forward both copies thereof to .a land bau.k viluator selected by him who bas &ocn appohl'ted in terms of section selmly of the l.,nnd Bank Act. 1944 (Act No.13 of 1944), with iostructlons lo make a valuation of the surface valtle of the property in question.
  - (c) Thi::: provisions of the Land J3Milk Act, 1944. applicable to "alu ators under the s!!iiid Act, ooth llqy f:nstnt ctioas i\$Sued fit in time to time by r.ht Land & nk to such vak!a.t:an in comection with: the exercise of lllellr du ti shall apply to any such valuator ios:tructed to make a va[uation of the surface value Of any suc,b, property. as tho gh he were makin:g a vatluation: I'.0 land bank purposes.

(d) Fees amd tnLwJliQg cxpell\$Cs sha:I be ps:id by the don.or to any such vahlator in accordance with the ta:ritrs ap,plicalbte to itibe 'f.'d ud on or property by sworn Dippmi\$\$\&\epsilon\$1S appointed by Masters of the Su:premc Court.

(e) Amy land bank valuator ro whom a:!ly sudi application in d1:1pUcatc has been :referred, shall ce.11:isc Ole particala:rs of bis valuation of the surface value of the property in qrue:stfon to bl!i inserted on both copies of the application: and sba]l within three days ffom the dalte on which his vaffluation was made foNard one oo.i;, y to Ute dQoor and the remaining cop-y to the ma, gistrate for transmi5s.ioo to the CommissioBcr.

(I) The OJmmiss"ooier haU. subject to. the J:>rovisfons of pa;ragm-ph (h), thereupon detenance the surmoc vable of the ptopertJ in question, or may rent tke ma:ttet ro tfte Boafd of the Lu d. Bame. as coostitil1ted u:m!er seciion/®r- of the Land Jank Act, 19'44 (in bis section ret\md to ais the Board). for its deter mination of nch: value.

(g) The Commission; shall at the same time determine tlu; fuif rn:ark- vaJuci of dti: miner.tl rights a:ltaeltiq: to the pn pci/ty in Q:li:iestioo aadl shaU adlvls:e the donor of the values determined by hi:m under tllis Palnlgr.lfh and paragraph, (f) and sbail!! i11dieatc illl su.cb. adVil:ce wlletb.e-r the deteri:niBa.uom of the surfaCQ vaJu.e of tnc property .ls lnad.c: by bdll. or by the l3oard.

(IJ) If Ilic &mm: c:Onsidrer\$ himstlf d by the Commi oner\*s d termination of th surface value of any pwpe:r y in terms ofpara.31"aph (/ . he sltall nod!) the Comrm\$Sionet thereof in \Vritil1!8 within twtDty-One days or such, rurt.her period as the Cmnmissfon;cr rnay allow from the da:tc of the advice referred to in paragraph (r} and the Commissioner shall there poorowe the matler lo be referred to the Board for review.

(i) For the pl.up S'es of j de.termination uoder pa a&f.a h ,(/) or(h):the Boord shall apply the same puncirifes and! follow the same punction and p:roccd ure as in the case of a etCJminati:an by jt of me vajut of property for land ba:hk Pl!,rl)0s e.:s.

U) Any pc on dilly S.!! Oi'J d theceM by the BM.rd slha]l 3t aU reasonabfu fimes liabole foU attes-s to the property the value of which is: &fog deriemrlned: by the Board.

(k) Thie-re :shaH be no appea:rance by or om bebait of eilh t pany before tlle Boa:rd, whose dec:isioa slha:ll **be** fioa and shaU be communicated. in duplicate 10 the Commissioner who slmll fQ["I\' rd one c:opy tbe.rco.f to th domJr.

(3) For thi:: purposes of this Part a donation s'haU be deemed to tal.-o effect upon the <!!ate upon which. a the legal fo:rmaU ties for a valid donation h,a.ve I';)Qt.n compli!!d itb.

- vailue of any property whim is disposed of under a: donation-
  - (.a) to tie spOUiSe of the douot wi:der a duly registered ante-nuptial contract or pose-nuptial contract;
  - (b) to the spotu:e of the: donor who is not s.tparated from him urnde:r a Ju.dleiaJ order notarial deed of sepam, tio.n;
  - (c) as a donalio mort/s cttft.fa;
  - ,(d) in Ecrms of which the donee wiU n.ot obtain any benefit tlle:tei1:111der uqtil tihe dcMlt of the donor:
  - (e) which is cancelled within :s'x months from the date upon wbi:ch it took d'eot;.
  - (f) if .si\11.Cb property collsists of .any right in or to so insurance policy which is disposed of by meaDs of a cessikm in terJQS of which such right is to revert tto the «dent if tlt.c oessfonary pndlccase,s: the ccde'llt; ,(g) jf su.cll p perty colui:Sts 0 :l.DY right kl immovatie

(g) If su.cll p perty colui:Sts 0 : I.DY right kl immovatic propertys Uuate outside *the* Riepnblic and was acquired by tibe donor-

- (i) *not* less than ten years bd"oic the date upon which the donation takes ### is ar
- (iii) before *tha* do.nor, lbciag a person 0th.er tbao a company *tor* the fine time: became OIJ"diinarily resident on the Re\_pub c or W, in the case or a company, (:or tht .lint ttme. giste,ed, ma.nngtd o,r coDitrolled in the Republ·c;: or

(iriij by iilll'lerimnce;

- (lr) by or to .m\_y persolll (includ!in overmment).

  refe'.l'Rd to jn parayaph (o). (bJ, (d j, (e) or (o) oi' s"CJb"5.eciion (1) of section ten
- (i) by or to any histitulio.n for the advancement of science: or art or of a charitable, ed'l!iea:,ood or astkal nature, if the Mini&ter of Firianoe is ntisfi.ed t::hat t'he opeiatioas. of such ins@ fi:0111 are in the interest of the imblie;
- (J"") if s11ch property or the income th refrom is R9, iredl to be d,ev-0tcdl whoJly to pulposes which the .Mm.1ster of FioaDQc Is saitisied at,S ,i :ni the inJWtest of the public and which a:re oif a charital:M. cdu.catfonaJ or ecc:fesi:e. s tical natu.re;
- (k) as a voJUDtaey aiward the 'fal,ue of which b liequired to be inclwi.cd in this rgross income of the donee in terms of para.graph (c), or ,(d) of the definition of "gross income" iO: section one;
- (I) if such proper y iii dis posed ,of undc::r amd ill pi,mrsuaJt(;C of aay trust;
- (m) if s"cb prop,ett.y oons.ists of a li,gbt (o-t.bet than a fiducia:ry,. usufcuctuary or olher !t.ke ioterest) to the use or oecupation or P:r<?PffiY used for farmiio:g: p oses, foll' no coosi.deta,tion or for a. cmmderatimi: which is not an adequate constderatiom, and the donee is a clrlkl of the donor.
- (:2) Dooatioris tu slwJ not lbe payable in re-sped of-
  - (a), so much of the sum of tu vall:les of all casual giRs made by the donor on: o:r alle.r tl:1c first day of July, H>o; m d dtnfag h,e per ding on (h,c Grst specJ6ed date followIng lflc thirtteth day of Jtme, 1962. and commencing ci(her 111 t]ile first day of J'anu.uy. 1962; or on tbi; day following the specillhid date immtdiatc[y pr ng sach fiirst is ;fi.cd date, whichever is later, or during ailly period emdli'ag on any specified date subsequent to such first specwed date and commencing on the day following the specific date imm cdiately precooing s s1:1bsequent specific date, as does not lllCC:Cd one thousand rand!: Provided that-
    - ID wb rc any such peri'od eRCeeds or is less th.am twelve months, the amount fo respect of which the laJ!: \$hall not be payable in terms of this plll:'lgraph shaU be an amount which bears to o, oc thousand rand thC' sa:me ratio as that period besers to twe[ve mond:-ls

- (ii) in the case or a such period which commonoed be: fore 'the first day of July 196Z the amoWtt of one thousand! Red (wile relbs period is twelve months) or the a:aic uit de'tetmined maccordance with paragraph (i) of the profile profile (whee: tell the period cell do or is less thian twl: Ev man hs.) shall be roduced by an amount equal to the sum or the valluies of a'll a saual! girts made by the dlonor from th'C commencem.ellt of !!le period il: | qne:stion io ;;md indud:i:ng the thirtieth day of JuD,e,, 1962.;
- ,(ilij for the PlilfPO:SCs c.f this paragraph ospoclficd date" in relation to any donor shall have the meaning assigned dereto in ilhe defuution of U,a,t expression in section one, the reterence, iin the slnd dc.1111:itiion lio a company being construed as indudin,g a eferen.ce to a person one, r than: a com:paoy
- (b), sQ much of Ure val!!!e *at* all propert,y dispo!ied of by the. donor under a. d(matioo on any d.a:te to or fur the benefit of bis clildJren as together with so much was exempt from donations tax in b!rms of the paragraph or paragraph (b) of sub-section (2) of section *fifzyrfaur qllat* of d:!t Income Tax Act 1941. of the sum, of ilhe: values of all property dfs:pos:c:d of u.nder d!onations before such date by U.e donor to or on bshallf of bis childtin, ds not ed t&c sum arrived at. by m.u tiplying the am.ouat or ten thousand r.:md by the number of ch:ildren of the donor who alic alive on the said dare, and: for the J>UiJJO&es of this paragraph any chlJd of a deceased child of the donor shall be deemed to be a child of dlle donor il:rnt if more than one chi d o.f any o:ne deceaso chil ali'''? on the date ctted to in this pamagaph the: \$\phii:ld11en of Uiat deceaml cmld shall be regarded as a single cltild of the donor as at l!bat da, {Q;
- (c) so much of any hQ.rra fide ooRtributfon inado by the dol:lor towards die m.l:'ntcMnce of a person is he Com.missioner e()nsiden to b rwooable.
- 57. (1) [r,fn:] property is: disposed 0! lut du a doM rion by a Dona,tion!: b-,r-. Woman m:irned m or out of community of ,ropeIlty a:nd not wife c,r by a bOd7 se:parated rmin\_her husband 11odei a judicial order of rotari! = = = deed of separau, thal)? IOPe: tly: dmll for the pu: tpl]S!S 0.f this Pffi<i.ii. u Pa't be deemed to be daspc, sed of under a dommon by hc,r h11\$band: Provided that...-
  - (a) any tax. paJd or payable: by the fn:isband in respect of any property disp,g5ed of under a dom1tion by the wife may 'be roooveud from the as ts of the wife.;
  - ,(b) if either he husbHd Qr the wife makes wr]ttel'J app]icat:ion therefor to the Commissioner or tho C.om missioner oo/Ji!liide-rs it. d.csimbfo., separate: pilJlllents nmy be made: by, or separate ootloes of a:ssessmen:t may be :selll to. the respooHw spoa&es in respect of the property disposed of lutdtr any douation by such huslband and Wire respectively; but the total amount of sMeh separate payments or be total tax payabfo to respect of the separate assessmems so Issued, as the case ma:y be, shaU not be less than dte total amount or tax; \!i"hwh would have bani payaiil'e by tbs husballd alOliie if the value of ti pro perty disposed Of ullder a donation by the hru;band and wife to,g:ether had been assessed as the value of pro;perty disposffl'l of under if donation by the hn:sba:lld allo:ne.
- (2) If:any property h: disposed o,f'muler any donali'on by a.ny body cor,POrate at the instance of ::my :pt?rson, that properly sll.-.U for the J>!!lfPO\$CS of this Par:t be deemed to be disposed o:f und!er a donation by that pmo;n! Provided tlilat a.ni tai;;; paid! or payable by aoy pe,non in respect of any pmperty :so d s:pcmd of wmfer a, dolilatio by ariy body corporale may be recovewJ from the 3.S.Sels of duu body ccrpora.te.
- (3) For the :J?U:rposes: of :sub.,sutlon (2) ])roperty sbidl be deemed *to* be d1spo:sed or 1,1111de,r a don.a.ti on by any body co

porate .a,t t:he instance of any penon if, having regard to Uw circ:mrnsta:nees u:nder which that donation was made by iuch body Qorporate, tlie Commissioner is of the opioion-

- (a) that it was not mad.ei in the; ordinary oourse ,ef the nor01aJ income ea:rmng ope,ratforu: .of tbH body corporate; and
- (b) dmt the sek:ction of the do.nee who b\_e eired by the dona.don \\as made at the instance of that person.
- Where any PEOperty has beeDl disposed of for a con-Ploperty il \$C:d! sid.ccatioll whi iii!he opinion of the Collllll!issiomer, is rlot an adeq uale con&demuon that property shall for the purposes of double this Part be deemed to bave beffl disposed of under a donation:

  ProvUled that i:n the determination off!he vatue of :su(h property den.llti.0n, a reduction!lhaU be made of an amounit equal W the value of the said cons!detation.
- SI The person liable tor donation of tax s.baU be the donor; f; liable P:roiv ded that if dte donor fails to pay the tax with the period r p:rcseribed ill subtion (1) of section sixty the donor and the don.ee-shall be jointly and::seVC'rnJ[y liable for t:M tax.
- 00. (1) Dona.dons talt sllall be payabtle within thJee months. P.:ayIDCij 3tlld o'r such fo period} ls th C!J?mmiss:.l cr may altow from the :: t '3 Mapon which the donauon Jn quest on takes. effect and shall be paid to the receiver of revenue for the di&tric:t within which the donor (ill! the-see o(any personi otbe-r tb n a. c;:omp ny) is. ordinarily tes:iden:t or (in the easel: of:aay company) fair gistm d. ma:11aged or 0011(:rofl d.
- (2) Where adonor has dlispo; sed! of properly under more than one donation in rei t 0 which donations tax is payable the tax payable in respect of each such: donation :shall be caknllated a.ccordining to the or er fo which such donations toolk effect.
- ,(:3) Wbe,c a donor has dispoied of prope!it.Y under :more: thlni one don:aHon on the same date those donations shall for the purpo-se of d r.nbting U:w tax payable in 11espect of each doJi)atio111 be deemed to have taken c t-
  - (a) in such order as the do:nor J'.11Qf elec; or
  - (b) if the dooo.r fails we make an c'tcction, i:thin fo.nrteen days after having beic'n calt:ed upoo by the Comnrlis].oncr. to do so, in sooh **order** as ,he Commission cr may determim,
- (4) The, parmelilrt of the *tu* in te:rm.i of sub-section (1) \$haH **be** accompame-d by a return in such form as may !lie prescribed by the Ccunmisdoiiet.
- (:S) !!he Con:1rnission.er may 11.t any time assess either the doMr or the donse of both thl3 doJlo.t and the do.r.ee tor amoU!lll of do11atfons 1ax payable or, where ilhe Comm issi over is sat is 6ed that the tax payable under this Part has not paid in full for the difference between Ute amount of the tax payabfo and the amou111t [Paid, fin the paiym.cot by either of tlM staid] parties: of U1e atmo11nt payable under such assessment shal!l d!scllarge the jofot ob]igation.
  - 61• For l'he putposes of the donations ta:x| In any reference :m \$11\text{H1.sceUOJI.} ( ) or | of !Cetlon | in of !Cetlon |
    - (b) the reference in subsection (2) of se.ed.on se:ventJJ-fou.r to any pe-rson en.ti'L)ed to or in recipt of any income shall be detmed to include a reference to 1,n1y pe:rson who ha:s diispo d of property 'Ulnder a doniaittio.n;
    - (c) the rdcr,s:nce. in section scwcnr}-eight to the t blc, i:ncome in rcla:tion to which anily reiulm or imfot.matio:i is required Sharl be deemed 10 illdude a. '!"efcrence to the v.ahlc of any property disposed of under a donation in relation to which the leh!1rn or information i required:

- (d) the riefuc:1101 in ea ragr aphs (b) and (c) of tho delinitio. of wupresentatiw m:xpaye?" in section one to the income, Wildet the: manageinont., disposition or comtrot of an age.nit or to moome dile mbJcct Of ifff!'.Y' trust .0s the case may be. shall be detm.td to include a rape 10 any property disposed; of iilJ? m" ai doaa:tio.n lells un.de:t the maoag, emellt. dlsposltJOJI or conlrol of the a, ge.nt or to property disposed of muter a donation whlelli's lbi:!!slibjec:tof the tn:ist, as the case may be:.
- (t) I.he :refetell" iiii s.ub-.s«tion (l) of section ntne.cy-Jive to the income to which a rtpt,tsenm:tive m:xpacyer is tilled in his representative capacity. or of whie)!, jn sllch capacity fie has che management. receipt. disposai, Kllliittan.oiz payment or oontl'OL shall O deemed to iaclode a reri\$m to any property dis.. posed of -under a do:nation of which a representative: taxpayer in is rcp n.tativ.e capa.ci:ty has the manage-llii!D •jlt dispo\$al. rrem1ttam:e. payment or control. and the reference in the said sub-lion to income recei, jied by or according to or in favour of such a person be:ueJiclal/l shall be deemed to include a reference to propmy !!posed OJ by Hieb a pc.rson in his own right lmde.r a docotion.

# 62. (1) For the purposes of donations tax the value of any Value of property property shall be deemed to be— Value of property disposed of under donations.

- 6;1) in l&c case of any fid'ucia:ry, usufru.ctua;ry or ofhor like im s in property, an amolllDt terminal by capltalizJ1Dg aJt s1.x per cent the aG!Rua['Illalue of the right of cnjoymmio] the punpeny over whict such in:terest wai or is held. to the extent to wbkh the don becomes c:ntided to su:oh right of en,joymccit ow ..., the c;< tatioo of line of the d onor, or if Si;leh lliebt of eyment t5 to be held tor a lesSlCf p cp.od lhan the life Of the dMor owr such. less.et penod;
- (c) the case of a right of. rshlp in any movabre or immovab propmy which is subject in a usufnu; tua:ry or otheti' liib b:nerest illl favow of a:ny person, the ill!'lo1.n1t by which the tol r market vafoc of the fuU ownership of sRch jttOpe.rty (eeds ithe vab;ie or s.ucb in(e:rest,. dete.rtmllW-
  - (i) ill the case of a us.nfmctnary interest. 'by eapitaliz; icig at six **per cent tb** annm[ value of the right of enjoyment or the propeny subject to s'llcl'l usufructualij' interest over the ex,pectation of life of d:1.e person eartilled to s1u;:b iutue:s.t, or, u"sud!. right of cajoyn1e11t i.s, to !be hdd l"ol' a les r period itbarn te life of such perso:n:i; over 5mh lw e.r period;
  - (il) in the case of an annuity cliar, gcd upon the PfflP!Crtf, b:) a six pet Celht tht amo111llit of the annuity rover the expecutiol!! of fife of the person e:ntit!f,ed to such anquity, or. if it is to be held for a Jess r period than the, life: of snch. pet'SOD, oiver such les&er period: o:r
  - (:w) in the case of any other inreats, by C(lpitaliiin,g at six per cegt such amoot as the Commissioner may comi[der reasonable as represouting the anoluet] )'ield of such interest, over the exp tation of life of the person C!!!titled to such interest, or, if such interest is to be held fur a less period than fine lifu of &uch pe,rso:n, ove,r siuc:h lesser period:

- (ti) in the cast: of any other propmy, the fak J?IUik'C't value of such property as at the date opon which the dona, tioal mb\$ d"cct: Pro, vfdcd. that in :a:ny case in which, as a result of conditions which in tm, op.imoa: of the Commisdoaer were imposed by or at the instance of the dOPot, (he value of any property ls redl!lccd in conseqw:nce of the donatio:n, the value of sum p:rope:rty .shall be determined as though the cond!!lo I\S io tcm1s of which the value oif dtc said :property i reduced in COHS.Qg:llellte of :the donatio.11. had not bcclll impOO?d!.
- (2) FO'I' the purposes of para.pphs (!:I) aod. (t) of sub---c:scclion (0 the annual value of the right of e:njoymclllt is property mt;uis; m, amount equal to d:it pc.r oe.nt upon the vall.ue of the rum. ownership is f the property which is nbj(;ct to any fiducia ry. us,ufroctuazy or orhtl' L:i c interest: Provided! !!:lllat-
  - (ai) whe-re it is established to the satis:f:a:clioa of the Com'' minion.er lhat tho/!itl.pla>J'itf wbfoh is :i\ilbj,'C'Ct kl any :sudll interest couf not r a sonaibly be expected to produ.oe an a.oo;u:al yield eq oa:l to sbc per cent on, such vaJ,tic of the property, th.c: Commissioner may fix s.uch sum as represc:ntil:lg the annual yield :as may seem to him to be reaso00ible-. and the sl:lm m fixed shall fo!i' the purposes o( paragraph (a) of sub-s oo (1) be deemed to be Ute aonual value: of tlibe llJoyment of such property
  - (b) whe the property whfolt To subject to any slich interest com:ists or bo oks. p'Mures, statuaey o:r other objects of art—the annual value of the right of cJ;,joym nt soil for the p11rposes of para.graph (a) of sub-section (1) \_b d.GGmc:l p bil: the verage net re ipts (iif oy) der lwd by the person ent.i.tled to such ngltt of enJOY, moot of such p11operty f mill g the thro years im-lrlodi tely precediing the d'ate om which the doution took ,eft oot.
- (J) Where *for* (he, purposes of sub-3ection 0) any calculation Is r lili:rcd b be made ovciil 1hc expectation of life of any person. such calculation shall. ini the case of a pm on who is not a natural patsoo, be made: over a period! of fifty years.
- (4) If t'.be C.omnim.sione.r is OT lhe opinion (bat. the a.moUJ.nt s&own in aoy return as the fair mat t value of any property other th:an property whc'reof the fair market vable bas been determined <code>D</code> a.ccolJ'dance wi th the provisiol:ls oh ub section (2) of scetjon Afty-flve, is less Uum the sair market valu of such property. If mayh the ft!tr morket wt!uc Of that property, and the vall:lei s.0 td shall, subject to the proviswns 0 section &bfly-tl'lreet be deemed for the purposes of this Part to 'bt the fa.iii matket value of s.nch property.
- (5) In fixing the fair m!!! Icet va uc of any property in Rnns of sl]b•settfon (4), the Cc fone:r mall have n.s,ard inter aJ:a-..
  - (a) totbe municipal *or* divisional cembri valuation (if any) orsuch :properey;
  - (b) to any s.wom valua:tion of sut.h property fumished by or o:n. bmatf of th doaor or the donec; d
  - (c) to :aniy valuation of such ptQpmy mD:dc by ainy ooPJp;-tent and disinterested penoa 3:iPpo.iau.d by the CommlHioner.

wscr, etion under sure-striction (3) of section (4) of sure paragraph (iii) of pamgraph (c) Of \$Ub-section (L) of s tion sixty-11110 or fb;c proviso tQ:ea,r gnph (d) of tbe ssi sl:lb-sffi:!M (l) or sub-section (4) of section 31:1,- wo and any determital paragraph.

by tile Commission uader 'Paragraph, (8) of sccbon fifty-flu of the vab.ie of the mmeral t.1ghts attachm.g: to any property, siha:U be subJcc.t t,o,o iijcetion and appeal.

Cumulativ		lut: <1/ Ptopent o't'llUJtion.s.	y Disposed of	& t ef Tux ,!Per Ce,:it.
0	1 - 4 - 1	1	11 1 6	

On s.o much ot the cumulative taxable value, of pc0per&y diiSposed of by the donor under dooatiOJil&-

docationie-										
ais does not exceed R8;000										
as exceeds 11.000 but does not R10i000										
		R.10,000	jj	,	R1:2,.000	S				
, į,	11	R12,i000	,.	,,	R1,4,000	6				
:I'''	ŀt,	R.14000		:I	'R1{;.000	1				
••	,	R.16,i>00	• 1		R18,:000	S				
		R18 iOOD	1		R2.Q,000	9				
))) []J	, 11	R20,.000	• •	M	R2 000	10				
	,,	R:12,.001)		••	R.24.000	t t				
	,,.	R24.000	••	.,	R:2 000	12				
17.		R.26,;00D		, , ,	R28,000	13				
"	***	R28JIOQ	,-	j-,	R32 <sub>1</sub> 000	14				
.,		R'32J)00	•	••	R36,000	IS				
, , , ,	3.3.	R36,000			R.40,000	16				
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••	221	R40.000	*		R-W,000	17'				
٠,	""	R.44 000	u		R-48,000	Н				
,	t	R-48 000		• 1	R.52,000	19				
t 1	1	R52.000	, ,	7	RS6,000	2G				
		RS ®		,-	R60,0IXI	21				
ti	u	R00,000.	٠,	••	R?0.000	22				
••	••	R00,000, R70.000		,•	RB0.000	22 23				
u	u	Rsiooo	n	,,	IU0000	24				
n	u	R!Jlli,000			r I	2S				
11	u	1 (.0111,000				20				

,(2) For U. e purpose only of determining [in accorda,noo with the teltes. prescribed in sub,-section (1)] the r:ate of tax payable in fofthe yahie of any prorrty (USJ)0\$ed of by any donor under any donation, the eu::mul.tlve t.oolble value of ail prolCfly disposed of b'y such do.Dor 'liiD'r donatio.iu wllich took effect before thedomdfon in qill.Cttion shall be increased lby an amount ml to lbe. cumUl]a,tiile lwa ldc vatuc [as delmed in n b-section of of sectionJifiy, efour *ler* Of the loc;om, e 'Tielx. A:ct, 1941t be,fOJe its r-epeal by this ActJ of :all property disposed of by the donor under do:n.a:twns: which took eet before the first day eyf J | || y, 1962, aad 1:hc -UlO'Will so amvffl at s aH fo.r thfl said pmposo be deemed to represent the <:t1 lnulat lve taxable. val@e all proper y d"sposed or by die dOJWil' uml!cr doinations w&ieb took elfect 'lJ,c,force the donatfon in q!:lestiol:l.,

## CHAPTER III..

G PROVJSJQNS

# PART I.

## Retul'JU.

- - (b) For the purposes- of ithis wb-s.eotion. per,S011S liable to taxation 11.nder the pri>visio:ns of thi:s Act shaB be deemed to <u>inclu:d</u>
    - (!1 any person who :rendered, or was required to moder u:mle.r this Ad or any pre':!'( ous Income Tax Ai;:t., a return in respect % l" the Jast precediing year of assusment and who has not 000 a.dv.iNd by the Oo:mmission in wrifting that he is :n.ot required to render a relum in res t of tile year of as:sessnumt under ,r;fulrge,;

- (ji) Y pcuon, other than a company, wnosc ,gross loccme for the year of assessint:nt under charge exceeded the a:mooot to be stal:eli by the Co missioner i.n tihe notice reooed to im paragiraph (a);
- (l.ii) aiey company which &rived gross utcome dwi1r1s the yer of .assessment u11dc.r i;harge.
- (2) Such notice shall stale the places at wlu:"ch ih.e prescribed. forms m oo obtain and it shalt be the duty of aH such persons. a,id of U pe!!SOJIS: requir4d; by this Act in furnish sw::b retw- to a pp]Y for the prescr!!bcd forms of ||etum.s.
- (3) AW/ sucb person foiling to fu.mish such returns hall not be rdirewd r,om H y nally by reason o:nly of bis haying re veci mo nortice to furmshi the s;Wne or of the prescribed form not having been dci red to him, but the Com.missioner ma:y, if he dcc:ms i:t:advisabl.o, call1st fonn.s to be dclive ot:Sffll by posl to any person.
- (4) The Commissiome:r may, prior to the issue: <)f any su.c.'b annHl notice, mqufoe any person by notice in writing to re.oder jmcr.im returns (or any period! he may design.MC in sl!lch notice, and' may pro d: to m3'ke an ll\$SL?SSrnW i!ll r-espect of that.p£dod.
  - (S) (a Every peJ:SOo soolt on publication of the annual nolice or cm receipt of a form delivered or sent by post as provided J.n. Su OA (3) or of a notice issued in Wm\$ f sub-section; (4), prepare ud deliver the pres-cribed ma.mt.er within lhei: time mendo:ned kl any s:uch. il.Otica or fonn to tile person appointed t!; l eceive du:: S!),me. a relf.ii ia (!he Form pmeribe. gtving tilt pa.ft:iCulars :required and al[ other cletalls fin relation the Jeto whfoh may be pre-scribed.
  - (b) Aey !luch :return shall be :signed by the taxpayer or by his agent duly a.111lllorized: in that behalf.
- 6) Any pmon signing any such return sh:ill be d uwd for a.U p11rpoires in w:nnection with tihis Act to be cogn:iza:nt of all statements made in t.'bat return.
- (1) Any :rcmm made or P\lil'Portia,g to JJc madli.'! or signed by or on. bmaitr of 8!tlY person. for the pu:rposes0 flus Act, shall be deemed to be duly m dc: am'I signt d, by the perllo11 afficided u11ltss. such person proves that sw;:h return was not made or signed by bi'.m or on, Jlis behalf.
- (8) If any perSon fails to maJQe such a re,tu m, the Commissioner: may app oin a pim011! to make a retu;m on ibehalf of such pmion, and the ret'llrn:made by the pmon so appointed s:hatl for all the purposes of this Act be d«.m, Cd to be the i!'ietum of Lite pmon liable to ma e the-sam.
- (91 11.be t-etumis f'nmished. by or on behalf or any pcrso1:1 required ito furnish returns Wlider this Act sh:110 comtain nu::b pairtico1airs, be in sltCh form and 'be: furnimed to t!he person appointed to rece ve the same at s11m time a.s may be prescribed by t:hc Commissi.o:n t.
- (10) Tire CommissioJicr ma,y, w m and as often as he thinks n ss.uy, req irc any person to mate fuHher or more  $d \not c$ 'ttllcd rewrns respectilig ruiy ma:Ue:t of wh:ich a rretum it reqw e<| or pretcdibed by dw Ad.
- (Ii) AH returns required to be furnished ooder this *Act* shall be d livered at, m sent by pon to, the p!t'esc.ribed address.
- (12) Any such return. sh.aiU, if marked wilb tb.e worids ••tillcome T ''' and "'Official" be, earned and delivered free of po tal or other charges: by the posm.1 dcpafflnent.
- (13) The return of liocomi: to be made by any person in respect of alDly year of assessment cba.fgeable u.c.r this ct shall a filll 3/lldi true return fur the who[c peniod of twelve months e:m!ing upon. the Das:t da:y of the year of assessment u nder charge: Provid.cdl tl!iat where it iis tabl:ished to the: sa:tistactlon of the Com:missioner tiult the income of a person cunot be co:nvtruentty return.Gd for that riod, the Commission« may accept mums made up to a &ite agreed to, by him wluclt returns:swill be d msd tor all pu:iposu of this Act, to be t4turns for th periods: covered by the yearn of astess.. mc,nt under char,g.e, and! fh.e taxpayer shall:not withollt the, conseDit of the Commfasjoner l'i:,e on.titltd to make a return m respect of any:Su:bscquen.t yeat or 'TMesiioomt to a date other than 'the date:so agreedl to.

(14) Jf .any proceed when ce. Ucd upon to .fumish a retl.!lm llllld'er this Aci is u Mble . to fum.ish such retum, the Commissioner may accept a return of estimated :ncome for as"ss... mmt., and such assm:ment sha:!!l be adj1ntd l:lf the COM. missioner ilf and when an aclu. I reuim of i ome: s fumished

missiomr ilf and whem an aelu [rcuim of i ome: s fumis!h=d. (U) Fct'SOU carrying on any fl»Jsmess in partnenhip sball ma e a joipt mum as partne,r.s in respect 0f such sincss, to-gdher with such pa. Tticulars u may ftom the to mnc be presc.rlbed and ea. oh partner shaH 'be Séparately and imlividelly Jiiable Cot the reendering oftbejoJmt lu.m.

- 67. O) Notwitb standlog anytb i:ng. cM wn cd in this Act, Hal£ r(y the Commissioner may require any pi'imin whose sole o:r@rinti r,elum b1" pal besinw ii mini.mg, foi goJd to fumi h, in respect of each soluming year of a.ssm rau:1u\_. ll.alf-ytarly rdums rot, the atsCSsment of the taxes leviable under llru'S Act.
- (2.) Afly \$11ch :rcti1:1m shall be Almished Wi:lhin two m.onttls o:f lite cl0-sc of the balf year to which JC reders, and the person flitnishing it shaJJ simuUane?USl)' piy to take Co m i mone,r the amount of any tax: appealililg lhel!'Cfrom to bep: yab.
- (3) Any retom fi:irni:Shed il!!!d any pa,yment made in respect oif tha fint MJf..yCia:r of any yea,r of as sment shaU be treated by the Commissioner as at provisional!il return and a, provisional paym.cot mpeetively and tu Commissi.oner in making his as:sess.meent in respect of the ye-a.!" of assc.ssment e.s, a whole :shall rna'ke: susch adjwtme:nit\$ as he eonshters :meewary to britJ g the assessment into aeaml with 1h11: liahil:ity of the, taxipiily@for Hob year of assc:ssm.ent.
- (4) The Commissi.oncr shall recover from O' ppay to ru:i,y such person any amount whereby the assessment rcs c of e. yea? of assffllnCnt as wh.ofe e:weeds ot falls short of any payment made by suh person in respect of the tax. tor the year 0 a-sscssmen:t.
- of a woman wurjed with or Wit'ho ut comttrlmity or pro\_perty manie wome.a and not separa, tedl from her hursbaind und, er a jedle.ial or, der or 'Jildi'...' writtm agree, ment aball be included by him ilil returns 0.t income requited i o be rendertd by him under this Act:: Pnwided that if either the husband or \*e wife makes wriUen appl'.foation ilberof or to the Commissioner or the Commissioner oousid.£.rs it desirable, rietnm, of Jacome may be required to be rendered by my s!U.Ch hu-sba:nd or wife rateily.
- (2) In U1.1: evbt of Che death. of the husband during any year in tc5J.! ,t ot w mt=ll im mc is ch:qcabte, lite Income of the wife for lie penod eLapsmg between Uie date Of sue& death arid the la\$1 W.y ot th.o year of .memn t shalt be re.tmned as the Rparait il:1,00mc of :such wife
  - (3), Ql) Every parmt shall be upoiml to include in his mum any income received by or acenicd, to ror in fml:.lr of any of his minor chii!dren eit:hcr directly or md:i ly from hmi.sell" or his wif toge.l.htl with such particulars as may be required! by the Commissioner.
    - (b) Every parent shall be required to iffctude in his. return any income deemed to !:le- his in i.erms of SUb-sccti0cn (3) or (4) of:Section selien.
- 69. (1) Every person she.11, if required by the Commiss£, onet", Diwfy h1 fufflim fonris to him, ia mcb f(!tll} and wlthi stlch time y he \_\_\_. neitlp nnd one camitlp nnd uer may d1roct, returns:sb o'Wllll.f;'- camitlp nnd one one of the camitlp nnd one of the camitlp nnd of the
  - (a) the: names an.d addresses of aU porsons o of a.H pmoos of any panfou]ar cl s, employed by him. alld! the t,arnings, salary, wages aUowa.nces or pensions, \#beth.er in money or otherwise, r-cocived by or accrued, to or Jn favour of ea-ch suclJ person in respect ef such cmp,loymc.nt:
  - (h) all, am.omits r ived b-y or accrued to or in favour of any person in respect of any sna,e o.r int«ut M aay business carded on by l-he per-son .fnil'Jli:shin.g: the u:twn;
  - (e) all moneys rooe ived by t&1 persoJt furnishing the return.

    1,S1, 111... or on loon or on

(d) a:ll .i.n 1 or rent received by or accrued to or in f.a.voiur of any pc.rs.on from l!he pe!"SOn flll'nisbio,g the l'elum or from any business carried on by the last-na med pers.o.a in the Republie; (e) au interest, ot or dividends collected for or on behalf

0-t an; y pound by the pel:ion fu r, iishing the cetn n;

au silch olher mfor.matioo in his pos&es!iion with regard to the jncomc: rooeived by or accrued co or in favour of himself or of any other person as may be required by the Commission.

(2) In addition to the rewrns iied in sUJb-section (1) every 1)1?1'SOnJ whether a taxpayer or not sba!i, if. 110quiu d by the Comnliss.jo,u i:, supply sucla jnformalic;m, and f111rnisih su tcfl'il.il'IS or sue]) further oro:lhcr :reh1m.s s:s theCommissioner

may regllire.
(1) E\\\e.ry J\!C\"00\!ii to whom a form of return or a. written r,equ,est for ullformation :is. \$clit by the Coiiilli:\$i>.IO t .sbaU eomple t lh f0!!'nj Of return. or. co'!!ply with tb4:: written request ror n:iformat1on Hi acco!fda;nce with the ir,cv.iir ments of lhe Commissioner and all leturl; the cl)D}pileted form or furnish tfi i:nformation to the CommiHione.r at such pl cc amd within suc?Il time as tile Co:ifiinissfoner may dir¢ct.

70. (1) Ewry company wliiclt pays interest upo,n or in respect DulY o-f. olf de:bentu:res, or debCJlhl:re stock or whieib pays "nteres:t 011 any cs loans or adwnees: sihall, within thirty days after the ttiirlielh lurm5li:rl\!tnS, day of June iln each \'Car. ru.mish to the Commi l.fflOner a return giviQg the fuU name and addres@ caM person iccciving such Jnitwest and the amou:n.t of interest so pa:ld.

(2) Every compan1 Which pays:101 dividends. awan; s any t>ocuis shares, debeniure:s or :securities or pays amy liq11iclati:on dividends to shanholders ini such company int respect of tile mares !held by thmt. shalll within thirty days a:l'itr rhs rtbirtiath day of June in each year M.IMS to th£ Commissioner a return givfog the full name ;:i.nd address of each shareholder amd the amount or vahle of such payment or awn.rd to ea.ch such marebolder.

(3) Eveey p vat4' c;om1a! IY ster,ed or canyin.g Ofii osi:ncss

m the R;p1:16b0|shaa wnht-?J tbmy days a r the thirttetb day of Julle m each year fUJQi\$1\ a mllttl gi'vuilg the name IU!ld add reu of and the: number of sbaJcs Illtld by every person who on the specified date was a shareholder of the c(Hill:PMY,

Cormn: issioner a copy (4) Every c-omp.a:.ny shail 6(e ith 1th or the mcmo:randu:01 and ;,1rticlcs of :w ocjation co stitu.tiog the ,campaiwy a.Rd copies of a L aimendmenits thereto.

(5) Elw ry company shalt, mtwn thirty days of IIIbe r.i:giis.tra:,. lion by the Registrar of Companies or any prospectus proposed to be issued by it, file who the Commisiioller a copy of tille przyS:pectus.

- Every bank lea nying on bus: iness in the Republic or Rehlm a.I". 71. a ecord of all payments m respect of mterest or dmde<sup>TM</sup>!s is: made to any p£tson by means ofl,eattr  $\Va.l$ 'tMlt:\$, md s.haU 1n S-1!..!c.lt manner- and form and at such times as may be prescribed or as the CommTusioner may 11equire. fumish particulars o.f such imyments...
  - 71. Every perso:m, who makes a return of bis own: imcorn.e or Return 11,11 to in a rep.rese:ntative capa, clty makes 11. -mtim1 of th-c incO'mc of '11 tthl)]dinsssome other perpolal, shall attacab to alroh mum a sbl:tiemenf showing fullly-
    - (a) the numbet of ,:ha;res in !111'1-J' reompany regi el'Cd 111 the name of die taxpayer for whoin the retu:m is re!ild!!rod:
    - (b) the d\( \frac{1}{2} \) videndc\( \frac{1}{2} \) from, any oom:pany rccel ved by ot accruoo co be taxpayer for whom tke: tie.tum. is rend!ered;
    - (c) the name and address of the perso:n,, if the taxpayer foi:- whom the rewm is :rendend is not entitled to retain flu: dividM.ds, received er a(;Crued from any a,inp ny. .'• in the case f a private company, to p rt1c pate in the profit or moome of any sillidh. company, who. under any agreGmett or arru t.g entitled to :rec; etve: and retwn such dividends OJ to partidpate: M such pro6t or :in.come;

,(d) the ni).lmber of shares in any company which are no t registered in the na:me: of the taxpayer for whom: the: uwrn is rendered b1:1t in respect of which such taxpayer umder a:n. agreemi?!!'lt or .arrliing,em:e:rrt wjth

the registm:d owner obtains :all dividends payable by such cO'mpao.y or n the case of a private company the!18hts of the-:registered owner to pamdpaie in the profit or .mcomc: of such company;

(e) the diivldends so reclved bY the wepa:yer .for whom the re:t;urn js ted from the pmoB ]it wh G name suob shares. aiR registered.

73-. (]) Ir any person, submits in support of any return, Duty o PL'=rsous Ill.mdcr this Act any oalaiioe meet, situemCBt n: IIn  $\mathbf{u}_{-}$   $\mathbf{s}$  by of ass ts nd lla:b lilies '?I' .ccount prc rcd bf any. other n:o:n, suppan of return\$ he shat J. if the CommJsstooer so requu:es submit a ceitmcate or prui:i:ring or stateme.n:t by such athu ptrs,on :recording the cxE.cot of the n 1.1n1 rot aminM.ion by such othe pe-tson of (hi:; bo s of account and oihu:- r:som. of the documClili from which the boob of a.cc, ount were writt-m up, and reconling in so fa-r u may be asceru, incd by such exantiDaidoc, hethet ot not the eilkies in sucht tooks and dacume.nts msiolo.sie the true nature of any Immactioo, receipt, aoeru\_al,. paymen:t or dilihl:t.

Any penol1 who has prepared any balance sheet., smten • of assci.s ml Jiabilirties or account for any otfler person s;halt, at the request of such of the person, fornis.b mm with the ee.rtificate or statement required under sub-soction 0),

74. (1) For the pwpose of obtliming full iwormatio in PiroollI (ion cot the Pointhis form of any mxpayer or of any part thettof. documents m d. per.Son produce evidente on oalb. examinat ion by CoiJ]mfss2ooer. 01' by any pe:noa appoJn«:d by him for that purpose at such t.im1i and race as may be appojoted by the Commissioner ie U:at ibebrill',, any deed R'lans, mistrumentis, books, accountst bade lists, sitock lists 01 dloouments whieh the Commisstoner may deem ncccs.s.a.ry for tht purp ose, of chis Aot, and if ll,ny such d'cedls, plla-ns imsttu.

m.ents boo J accounts. lists of a ocume-nu ar not in one of the o!lliCiat Ialligua8ff, tu eommisi.ione-r may by no ce in WritiP :re(\mtC the taxpayer to produce af his. own expepse arid at suc.b time and pla as may be appout ed, a trans, lation in 01:1e of the official languages prepared and certified: by a sworn translator or a person other than a swom trnnsla:tor approved by tlle Commission er.

(2) (a) The Commission er may by notice in writing uquire any l)ltrson e.ntiied to or in receipt of any i-ncome (whe ther on his own he hw for as the representative of aizy-per.son) or any pm on whom the Commissioner may deem able to furn so information. We tend at a time and place to be named! by the Commissioner f01" the purpose of being exam ncd on oath respecting the income of any tachi p enoo or any tan sactions of the income of any tachi period or any tan sactions of the income of any taching period or any tan sactions of the income of the inco mat ters. affect.iQg the same on my of them or aay

part thereof.
(b) An)' pm'S(ln so attendmy JII:\Y be allowed \text{III} 'the Co,mmrs:sioner any t-ea.5o.nable expens:es: neoessan[y incurred]

hy him m so attending.

Q) Anf Officer e.ns, N ill canyin outhe pro iloJIS Of this Act wlm has in atton to the a:ft'aus of a particllllar person bce,n authodzo:1 tlle:reto by the CommissioDer in wrlmg or by tel:-egra.m, ma.y, fot th.ei pufpOses of me. a.dm:imstration: of this Act-

(a) without pJ"eviow notfue. at any time during the day eniter,- .any pm.lll!lisil!s wftatsoe'll'Cr and on such. prem:is sea.rch for any moneys, boo records, ai:couots Ot d OOlllmJCDb, ,i

out any such seareh, open Or cause to bl!li removed and opon.ed. any article in which he sllspects any moneys, books. records, accounts or docwnen,ts to &e, CODJtained,;

(c) Seize any such books, iecords, accounts or documents as in his opinion may alfoui e vide. J:lce which may be :material in assessing the lfabJ!:ity of any person for acy tax

(d) rcitam MY such books, records, a occurrs or docummts for .as fongacs, they may be required! for any assessment or for a.Qy cr.imilial ou o1h,lllr proocedings 1w..d.cr this

(4) i July authorized persGn. exemsing any power under sub-section (3) shall o:n demand produce tho writeQ a tho rity furnished to hmm by the Commissioner.

(5) The peno.n lo whose a:IFaiirs any \_boob records., accounts o.r documc.o,s seized wider- sub-section (.3) reJate. shaU '&t e,ntitJ00: to examine and make e:,wac l\$ from them during offi.oe hours under s'lilch s'Upervision as the Cnmmiss:io,ncr may determin .

## 75. (1) An,y person; ho-

'Penid!>' on

- (a) tails or neglects to filmish, nte or stl!in;niL any 1:1ttu:m or document as a;nd wlwn required by r under this Aet: 01
- (b) withollatju:st c use sfi'?wn by him, d llsell or nq,l.ccts to ru sh a.my in.fo:rmation or ply, or ro au end a:n &IV¢ evJdenoe as o:nd when required by the Commls.sw:ner or any office r duty a'Utborfaed by him or to 1U1Sv.1Cr truly and fully a:ny q:i,i tions: put. to him or to pmduce any boo lcs or papen required of h.im. by 1.he Com!lDSsione.r or any such oQi r; or
- (c) fruls to show in an y rotum made by him any portion of the gross income roce ived by or accred to or *m* ravoilly or frimMJf or fa.its to d isd oi.st to the CommissionCF, when **making**; iilcll Nlllrn, any m.atmal rac:ts. which should bave been dfaclo.s:ed!: or
- (d) fa.ills ta, S,bow in .my return prepared or d him on bochalf of any other pers-on .any porti:on of tnc gross incom.e liOCcivcd: b1 o :r ti.ecru.ad to ,or in favour of sud othe;r pi:rson or mils to disclose to the Commissioner, when prepa:riin;g or makiing such retl:lm, any facts which it so disclosed, might result in in.er taxalior.i; ,or
- (e) obstructs of hinders any offl.ccx- in the d.iscbarga of his dlllties, or
- of sala-ry, or similar compell.sation for perso, pmifeservk: e withilout just cau shown by him fails! to riztain lor a petjo d of fille yeau from toe date or the [a.st entry thm'ein all cash tioks, Journa's cheque: books, bank: statements, deposit sh}:S. p.aul cheques; invoices, stol':k ljsts and all oiher books of acooln!t relating to any trade cash tioks, Journa's cheques; invoices, stol':k ljsts and all oiher books of acooln!t relating to any trade cash tioks, Journa's cheques; invoices, stol':k ljsts and all oiher books of acooln!t relating to any trade cash tioks, Journa's cheques; invoices, stol':k ljsts and all oiher books of acooln!t relating to any trade cash tioks, Journa's cheques; invoices, stol':k ljsts and all oiher books of acooln!t relating to any trade cash tioks, Journa's cheques; invoices, stol':k ljsts and all oiher books of acooln!t relating to any trade cash tioks, Journa's cheques; invoices, stol':k ljsts and all oiher books of acooln!t relating to any trade cash tioks, Journa's cheques; invoices, stol':k ljsts and all oiher books of acooln!t relating to any trade cash tioks, Journa's cheques; invoices, stol':k ljsts and all oiher books of acooln!t relating to any trade cash tioks.

(g) s-ubmils or .furnishes a flll:SC tc.ftli:licuc or statement under section \$tiwm1y-1h,:t!'.

shalf be guilly of an olielloe and liable on conviding to a line not exceeding OJJo hundred. rarid or to jm,pri-sO'llfflC-lill .for a period not a ling; the months or to both s-uch fine and 1,u cb imprisonme,nt.

- (2) Thee Commi\$sioRCr may, subject to such conditions as he may determine, an.d in r-cspocl of sue-h books: (othu t!haa Ledge.rs. cash books and jountals) on documents a-s he may specify, a uthorize the retellllfon of a m.rorolilm copy o:f a ny book or document referred to in s.111b-sectio11 (J) in lieu of the original thereof.
- (3) Any l)t}tson who has beco onvicted u.nde.,- sub-section (1) o :fuiiliJg:to fumisb:i,ny Munt, utforuui.tion or :reflY shall!, if M (a 1ri Wi,tb111 any pertod dc::,;;med by the C-ommiHi.Ontt to be reas:ona blc: and of which ootioc has been gi vea to. him by the Coi:nm.issiomu, to furnish the re:ti.lln, information or rp Jy in li'espect of which the offem.cc Was commiued,, be; gu;Jty of an off'Ci ce and lia.bie on (:or.mctio1:1 ro a :li.Re of ten rand for each 1%ay during which such dct"a'lil t contin or to imprisemment with out he optl:on of a floe for a period! not ooedi1:1g d1.ree months.
- 16. ,(1) A tai poyer shall be 1! lired to pay n addition to me Additional tax iD tax <: hairgeable m respect of his tuab lncome
  1. '!:/'1
  - (o) if h\$ makes d fault in rende:rill:g a r.eturrn in reseect or omJmpn. any year o:f a\$ sc-ssmc:nt an :tmOI.!ilit equal to twJce tile tax c:h.a.rgu ble in respect of his taxable in.cOJlle for that year of ass,css:ment;, <>:r
  - (b) if he omits fro.m his reluirn any amount whild o'light fo have bten i:ncludGd thlmlill an amount equal to twice the dilfc[-c.nce: between the rax. as ca.l.culatedi in respect o.f dw taxable i.neo-me ret:u.m,e-.d by him al:1;i the ta propeJily cha.tgea.bl n respei;t of his taxable income as determined after including the amount omitl«'I;

(c) if he makes any inc:orRCt 3tlte.rnent in any rcit:um. rendered by him which results or would ir accepted result in the: asse ment af the normal tax at a.11 amount which is less than he t;a,c proped:y chargeable, an amount equal to twko the dilfer-e:ru:: between the taix as assessed in, a'CCOtda:nce with the reti:u:n. made by him and th! tax which woU:ld have - properl:y chargeable.

(2) (a) The Comm.imooe:r may re:IJ'lit Ow additi,onal ciil rge imposed \llldet s1.1b..s -tion 0) or any part tiJ; eire of as he: may th:imk fit: Provided that, umless he is of the opinion that thfflll we re extenuating oioot1m,s1an.c£S, he sha!I[ noL so remit if he is S311 isfitd toat aoy act ot omission of the mxpayer recem=d to im p aragra.ph (a). (b) o-.r (c) of sub secdoni (l) was done with intent to evade taxation.

(b) In the eR!.Dt, of the Commissioner. deciding not to remit the whole oif me additional cha:rge iml)OS.ed ID1dm sub-secuon (1), his deeisto11 shall be subject to ob; j tion an appeal.

(c) No-iwlit.hs.ta:nding the provistom of this :aub--section the COmmissioau may eithor before or aft.u all assessment is issued :JBRe willh the tax y-er on the aniount o,ftbc, additional charge to be paid. :sillid the amount S:O agreed UJOD shall not be, subject to .any objection and

(3) The additional amounts: of tax: for which provision is made umdc,-r thii section haU be, chargcable- in ca:ses where die the said section a.s we][ .as in cases when. sucl\ taxable income or any part. theta<1f is di!!!Umined f-rom accoUtMs ren.de.rcd by

the taxp yer,
('!) The POWffl cenf rr-ed upon the Commiss.iom r by this
s:m...101,\lambda \frac{1}{4} \dots -Ff1.... \frac{1}{1} m \frac{3}{1} \dots \ thls Act to tab proceemings for the recovery of any penalties for cvad:iJDg or avoiding assessment or the payment of tax or attempting to do so. (5) Afry taxpayet who in detennimng bis taxable illcome as di.scfu d by his rct rn. dcdu\_ct. or sets o a!ly amou.nt n,e dcd:u.ctmn or set-off whereof Js not pemus&1ble unde:J' t!ui provisions of this Ad o:r:shows as nn nfe11ditun: or los-s any

deemed for the purp0s s or this section to have owned slJ.cb (6) Any ta:;t payer who wiltu)[y r;rurs ro disclose in any rewm made by hiim any facts whic-h should. be disd d and the cll.scl:o.su.re of which, YOUW result in the taxatfoll of the taxpayer's iooome: on an amolult which is highter than the amount upon which suc:h im:om,e would be ta:.xable on such rctt!lrn. shall for

amolmt w&ioh .h e has not in faot expended or fost, s,balDL be

the purposes of dus section bo deemed to have omitted fr- om his nuurn the amount by which the fcumu a.m.ouat ceds the

latter. (7) If iaJ aoy year of a:sscs mun t in which the determinatio.11 of the laxa&lie income of the taxpay, or docs not r-es-uIt in atll asse-aed toss. he is eru: it'led to the set-off" of a balance of as ed l,oss, from the previous year of ssment and s!!;!Ch ba.lan"Ce is: less than it wolldd have been bad it been calclllated on the basis of the retruns rc.ndt:re.d by bim, be snaU *tor* the pu:.rposes 0 f this s: i:on be: deemed to have omiUed from hii!! return for the tkstmenl io:n ed year of as ss.m.ent an am,ount cq uiil!, to the d:ifl'erenoe betwa in the amio":nlt illt-Wftlcb such ban-cc H fi.nally dctMninm and the amount at which it would have been determined on the S3.ld bms.

### PART II.

### Assessments.

77. (.I) All assessments required to be made under the shall pic, ois mtd shall, Sinbject to the littoriums of section *tlrru*. be made by mco,dni,1 tiered.

the Commissioner of under his diecti(in (2) The partiew; u, s of elrery assessment amd the ainounc of tax paiyable ith.creon, shall! t,e reoor ded o filed imd kept M the offics of the Oommuloner: Prowded that any assmm.en't s:o reco-.rdc':1 - filed ma:¥ oo d;stroyed by the Comm.J'nioni:: after tlle e,;pu:ation of such period from the date of l'(!CO.rdang or fillog as may be ap, profiled by the Coot, ol[se\_r, utd AudItot-Gc.n.eral.

- (J)i Upon re00'rdill:lg o:r filing the pa,ticllta.rs Of any assass.ment the c mmissioner sh.all w notice of the as\$cssrneq,'t and of the tax pa,cyabl!G thereon to e ta,tpayer assmed.
- (4) Such 110Ciw shall be si::llit to such pcr5on by pos.t or dei!iv,;n;d to s;och perso111 in S!!lc;h other :manner .u, thei Commissioner may consider 11 cssary or cotiveni=t.
- (5) The Commissioner shall im the no re of ass,ess.mQ,11t give Mtroe to the fflxp:lyer (hat any objecl'ion to the as&cssmcmt. made mu:st be se:n.t to him within twenty-om:: days after th.ei da.te of sllcll notice,
- (6) Any sepa.mt returns which may ibc rendered by spousei .in terms of the proviso to sub--scction (1) of section stxtreigld shall be sepamtedy assessed and sepamifl: notices of assl}:ssment shall be sent to the respective spouses Pmviid:.cd that the kltal tax payable Mespect of the separate :tsSettmeets so iss:ucd. shall not be lw. th:af.ll ti'llc total amount which woulld have bt:!Olt payab e by Che hUSban allone if e if comes of both husband and wife had bctll assess d as the moome of tht bl::ls'band alone.
- (7) Separate assessments \$\text{ha ll, notwithstan.ding the pro-Yis10DS of sub-section. (15) of section \$slxty,.six, be made upon partners,.
- 18. 0) In evecy case in whfoh ainy person makes defau[t in EsiHrm1td (11mishmg any etum or information or the Com.missioaet is u se.sm en. Ls no,t satisfied with the n:t11rn or infomiatio.n furnished by any persiotl, the Commissioner may esUmate citlrnr bl whole or in part the wabfo inoomo in relation to which the return or Wonn:ation is required.
- (2) Any such estimate of the ta:l\ahle im:om sbaU be: S;Ubjtct: to objcc-1:iom and appea[: Provkfed that *if* it appears to lie Comm.iss.iooer that any pm:om *is* unable from any cause to fu.m!sh an accurate return of hls income the Commissioner may agree wh\h such pen<>!il as to what amount of such iincomeshaH be taxable in-come and any mnolllil.t so agreed upon shall not be sul:gect *to* any objection or a.ppe *t*.
- 79. (1) If a:t any fi1M the Commis, joner is s.atisfied th.at an)' Addl:kim! amoue:ts which S:bowidl hnve been su.bjcct to tax have not been Mscssnim. assessed to tax e,th,cr un.der tlli:s Act oil' a:ny p;evious J:ncoma T,11:ic. A t, :he shall :rais.c asse-ssll!lcnts ill respect of such a mounts notwithstandillig that assessments my lla\'l:l. been madai llpon the: person concemed in respect of the year or ycMs of assess mrnt in JtS(tCC:t of which the amonnts ii:!! question ar a ble, and notwithstandiniI the pllovisiions of sub-s!!CU on (S) of section elght m? and sub- tion ,(J8) 0 OD! etg/rty-tbr:ee or the co spondin,g provisions\_ ot slich prmous ncome T:ax Mt; Provided that the Commmloner sbaH not :mise an :aw.essment imder this stib--sectiol-
  - (a) after the **t** On or tkree rs from 1.he date of assessment 1n terms of whfoh any amourn wh b s.h.ouN ha\(\text{F}\) been. assessed to tax under sucli .asses 1 mmt was not so assessed, um.less the CommissioJJer fa :saUsfied that the amount was not so assessed becail: lse: of ftaudl or misficp: recsentationi or non-disc[osure of material facts: or
  - (b) if the amount which should: l1a:ve bctfll subject to tax was io acooi:dan.re with the practice geme:ra!llyprevailin,g at the time who me the assessment w.ls made not assessed to tu; o:r
  - (c) in respect of a:ny amoun.t if any prevjoos assemneat :ma oo the )) ono ,c oncerned for tlle year of .as.scss.. ment in question has in :f\cspcct of that amoum beem ammded or reduced pursuant to aQ)' order made by a :special court ror heari:ng illoome tax appeals coesti.. tuted under the provisions of this Act or any prstviol.ls J1:loome Tax Act, unless the Commissioner b satidied thait the, order :in qu stion was obtai:n by fra.u:d or misrepmsentatio:n or mon-disclosul'C of malerfal facts.
- (2) For tile PIJIWOSt!S of i!Ji.s section .my mnolIn;t refen-ed to m :sub-section (1) s.haU include an amount lhe, incorpor tion of which n an assessment would ;i:emU ,in tb.e reduction of any loss ranktill for set-off (llr iiii onJy a portion or :such amount becoming cltarpble with tax.
- (3) The prollisions of sections sev.enzy...rix and sevent p..eis.lit' shall apply to any assessments or additionair assessments m.ad.e.by the Comm.issloHr und.u it&c powers oonterred by this soction,

80. The record of assessments shall not be open to public Inspe(;lio,D af imspection but a m') raxpaye:r sha.U ibe etritill.edl to copil!:s record or or on behalf, of the C-ommissi oncr of S'Ucb. rieco:rded assemnently, particulars as re?aire to hlm.

### PART Ill.

## Objectionu amf .A als.

- **81.** 0) ObjectiODS to any assessment made under tms Mt 'rime d ma.qnor may be made with in twiOllty-OllC days afi.e:r :!.he date of the ot ran1 assiesllm.ein:t nodee, in the manne:r amt under Uto terms pt:-escrjMd ob,. , or wn, by this Act D7 any taxpayer who is aggrieved by any assessment in which he is: interested.

(3) Every objection shall be in wrmng and sham specify in detaH tile grow.ds upon which it is made.

- (4) On moveip1 of a notice of otijection to an assessment the ComminiOJletr may reduce of aUCl' die asmsment or ma: y disaJ. fow the objection aad shaU s, encl the pa)let noti. 'Cc of web alteration. reduction or disal!lowance, and! record any alteration or reduction of made in n, e assessment.
- (S) Where no o!bjections are made to anyas sessment or wher.c o jeit[ons have:: been a1Lowed or wHhd[cawn. such a\$\$essment or altered or reducect assessment as II.he case tn::iy be, shall, subject to the ri,sht of appeal here Jmrter provkbJ be fuml alld co.nclusive.
- 82:. Tke but1&m of ptoor dint any amount is exempt front or BPTikii. or p ol' no lia.ble to apy tax. cbarg,oo.'bl u:nde:r t:llis Act or is. subject a-s motions. to any ui.W.lCtlon 317lltem@t o:r set-ch; Ul terms two n,ct, th:duclioM or sh3lf be npOJ!! llie. person claiming such exemption, n orlli abUty d l!!t tion aba.Mme.nt or set-oJf, aillid upon the btarin:g: of any appeal from my dccisjon of the: Cammissroner. the dec.isfo:n sb:all not bercvers,cdoraltuooi u:nless H..is shown by theapoc:lla:nt that the decisio:n is wrong.
- 83., \( \begin{align\*} \begin{align\*} \AfJf \text{ person c7;1 ([ed to mah n objection Wh!) is =:.{; \$ti\cdots \\ \text{dissa\_us cd wnh any dec1s1 of the C,om 1s 01 1cr as noll cd tttkd ootut 1:;arnst (o ilum Ul tm-m.5 gf sub\cdots \\ \text{ti:On () oC SectioIII elgkty-urw: J.\!\!\!\!\!\!\!\!\ Commission er's appeal trulrefrom to a special court for hear in incomit tax dee-Won. o:ppe-als. co.n.stUuied in aworoonce with the provJsions of 1his section.
- (2) E ve ry COUJI so constituted sba H nsfat orn judge of the S1:1prcme Courl who malt &e the Prcs1 dcnt or the court. an aoooUIIIt:tnt of not less Uttn ten yea.ts• standing. and .:i. re; r'4SC-n-lative of tile commo.roiat comnnmity; Provided that in .all cases li'clatiog to the business of mining S!!!'Ch third m ember sluiall 'I' th ap e:If t SO dcsmi:s tie a qualli:i£d:mi.njng e.ngineer,
- (3) Tho StatG President may, by prod a ma, ion in the *Gazette*, obulitute such oo, w:t or courts for such area of areas as he may d'.tin.k it, and may from time to Hme by such proclamation nbo!ish; my ecissi.118 coprt or coll11S or oo.ns titu:te lluch a:dd]ti,ona[ ooUTI:S as circumst nces may icqu.bc.
- ooUTI:S as circumst nees may icqu.bc.

  (4) Any .appea lodged ooder the provisions of the hoome Tax Act, 1941. may be heald and de'lernined by any court in its its its its interest or dependent of the control of the court is its interest of the control of the court interest of the court is its interest of the court interest of th
  - (S) (a) 'The members\_ of any such c.mln Qlht tll\_an judges shaJ[ be allpmnted by the State Presuknt. by p clamation m the Gaut.re, and shall ho[d office for five years from the. dale of the tde.vant proclamation: ovided that the appointmen; to find any such menlber may at any tirr...e be terminated by Ute State President for any recrusion which he considers good acid sucolclent, and shall Japse ill the event of the abolition of latic acoust in human of sub-section (2)
    - court in b::rms. of .s ub section (3).

      (b) Any person so appointed shaH ibc ol:igible for re:-appofatme,:nt foir. such further period or periods. as: the St::ue Pr¢sldent mn:y think fit.
    - (c) Tb memlxlr-s of any si,ecla] cou:rt for the hearing of i ncome tax appea's constituted under the pn visions of t[t!) I:nooJnae Th:x Act, 1941, shMil be deemed to haw:

been app,o111tcd under the provision of this ub-

- (6) 'foe J'ud Prfflden,t o,f the: P.rovin,cial Division of lhe Supreme Cmu1 Jtavjng juli'i:sdiorion jn the are for which a court has been eonslitute ci \$ha.U no:Jlllu te a.m.d seeo:nd a.j1:1ellge or an a criing judge of sue.h division to he the Pr i.dent of such c:OU1rt. and such secondtM1U shaH be for such period or for- the h.eadng of su:cltcascs as. lhesa.id J-i1dge-Presiden t shaU detum.ine.
  - (1) (a) Every notice of ap, peal shoU be in. writi1:1g Md sbaU be Jod;p \ti h he Com.ffl.:lss.ion.1?r \"i'itlilit a period of thi:ty days .1fter the mte of the no ce m.entioned in sub-section (4) o:f section eight one. and no su.ch rioti ae, of appe:i:t :;h11U be of a ny fo:astc o.r clfoct wh,moever unless: it is edged witMo the said period.

(b) At any such appeal tile; person, who Inade dl,e objec&foo sbal I be limited to da.c grounds stated in his notice

of objectioo.

(8) IJf an ass-es sment has: en altertd or r¢d'lilccd. the as ssment as all c ed or reduted s:hall bt emtd tobe. the as ag;tinst which the appeal js rnadA:.

(9) At iw ten days before the dah:fu..ed for the hear"ng of

a.n appeal the Comnss.ioncr shall se:nd! to tbcpenon who ma.det c objtc fon ot t 'hj5 d1:1ly a!)thOriz. aUOlille}' t repres !lta.- uv:e a wutten notice of tlle ume and place appwll.tecl fot thi:= hearing Of such appeal.

(W) Tile: htarin, A of an appeal may be a dlj ounm l by (M coll111rl from time to tim. to nny time and phi;:d,am\_a:y seem con-

venient.

- U1) The slttin», or the oOW it foir the head ng of s. ch appeals shaU not he pu:hlk:, and the on.rt shall at any tmu on the ipplica(o,rn, of the llppc:Ualrlt elude ftc»n such sitting or rtqu re to wilhdraw m from au or ain'y persons wb01nsoeve.r \vhos aittendam;e is not oeces:sary Jbr tl1e heaijng Of the appeal u:ndcr oon'5id.cra.Lioo.
- (12) The Commissioner or a:111y person authom:ed. by Jum may appear in isujuport of tha as:s.esmtUit on tll:e: hearing of .any appeal, and the appclil3llt and III11y person w!ho is interested in such ap,pe-al may ap p4?8r in person or by his could f. attorney

(13) Subject to tile p,ro\lisio1:1s: of this Aet. the 001.111 may-

- (a) in the case of any assessment under appeal. ordtt is ucli assessment to be am, clui!ed, md:lleed or confirmed, or may iif it th:inb llt refer the ass cnt back to ii.he Com.m.imo:rn.e:r for forth.et nivesti,g,!'tion and assm:mmt;
- (h) iin ttw ca of aiqy appeal aglilitt tli:tC amount. of the additional charge impoffd by d1,e Commissioner under sub..sccLion (1) of section sev.en.ly.six, i; uce, conJi..rm or increas, the amount of the additfoDal charge so imposed; (c) ia. lhe case of any of er deciliol or th{' Commissioner

wluclt is subj,oct to appeal, cdrm or am.end. such

(14) Any assessment made by the Commissforter on :refeJence undef suti-&ection (13) **Sh.an** be subject to objection and a:ppcal

as in th's Prut, rovided.

([S) ABY :m.a:Ue:r 0 Jaw adsi:ng for decls:ion b efom 'till coutt, and tuly q u t:ion as to w)wfhe:r a Jll'llUer fot decision is a matter of fact or a mauer of law shall be deci<kd by the Preside mit of the court, and the olher members shall have no voice iin such deci&io:n.

dcci.sion of: th-e co,1:lrt :s!iaiU be n:cotded by the (Hi) An

Commilwoner.

(17) The ICOLIFT sbaH nat make oy ordu as to costs save when the claim of the CommiHione::r. is held to unreasonable o.r t'he grounds of appeal tb:ercfro:m to !be frivolous.

(18) Any decision of Che oOUJ!t 1.111d.er this :seotion :sEla<sup>1</sup>II, SUibjoot to the ptfflfisioo of sEo.tio.n eigl, ty-six, be fina:I.

84. (l) 1111;1 Commi'\$\$ioner. the appdlant or the hesmellt Summ0cnil!11, Or of a special oouilt may procure II.he attendan.cc 0 aay witness iffliesses !ml! (we te! idimg of for the lim be.mg withm Ole! rea ?f =:: [1]:1alloc. jun:sdi'01:IIOn of that coun or :not) In the manner prescribed in the regulatiou.

(2) If any pemm who has been, dlll!ly sll!bpoenaed to giwe evidence at the him:rine; of ain appeal o! to produce oy book, record document or tlting m his possession or und, er his conil'rol fails without reasonable cause to atiUmd to give evidence Ot m prod11,ce tba,t book, ord document or thing accordulg to the stibpoena ort unless excused by the President of the court.

to rffll in in attend: anoc: throughout the proccur ng,s. Me President of the court  $m \ll Y$ . upon being satisfied l!poo oath or by the return of the pmon by w.bom the su.bpoerm was ser v Ed, tllat such pt:rson bas bee duly subpoenaed and that his reasonaMe: expenses have bten paidl or okered to him, impo9e upon the said person a fine n.ot e .x:eeediQg fifty rand ar in dcfau t of pa:jmeot imprisonment fot a period into exceedille three montlw

(3) Hany per\$on so:s.ubpoenae:d fai!-s to nppea:r o'l u:nl ss dll]y e.1c111std to remain in aitteadance lhil.\oughout the pro !Zdi111gs. tht P. ident of the court may also, upe;n beinigC satisfied u aforesaid ud in case 110 fa:wtl.11 e..l.cl:lsc for such fai[u:rc:s s tchim. to exist, isstil) a warrant for the apprehension of that iler:son in. oroe.r that he may **b** brought up to give evid:enoe or to !Produce any boot, ur:elf('I, docum n:t or Ch:iing ai:co:rdling t<1 the !ilu'bpoen11) and on faih1re so to vive evid:eoce or pred111ce tbnll: book. liceord!, documut or thing, to be d,c:dt With in the man;m:r p,rescribi:d in sub-section (2).

(4), The P sident: of the col:1!rt may, on c:aiu:se s hown, remirt toe whole or any part of any fine or im:prisoi:u:ncnt which he may bave imposed under thus sedion.

(5) The Pres.ident of d.1.c court may order the costs of any postpo:nement or. adjournmesnt oocasiafled: by the ekfau. Jt of 11 wimes: cu aoy po:rtion. of those costs, to he paid out of any fine imposed under this section...

(6) A [Jcn.a:lty imposed under s1.1: section (2) or (,3,) shall be c nforooo nuuatis mut, mdis as .iif it were a penalty imposed by 11 magistrate s: come in circumstano su.cl:t as arc described in the rel ant su, h-secr on, and t c provisfo of any Jaw whl :t!ll are npplicable mi respect of sll'Ch a penalty lmposo& by a ma.gls,. tmtds court sh3iil /l'mtalis mut1111dis apply in respect of a penatty imposed under either o.f the said su.liM,eotions.

,85. Q If dunning the sittility; of a special court, any person eomitimples wilr11tly insults a member or the ooiurt or miy officer of the spe,c1 1 court. oou.rt attending at the sitting, or wUfu.lly iotene:pts the proceedings: of the colut or otherwise misbehaves bimsetf in the place wihere the court is. held, the P ent, of the oourrt may make an order oommittitl.g that penoni to im.prbo:nme-Ht for any period illlOt ex-ceeding three months or o rdcr tlla.t penon to pay a fir.e n-ot e:tceedin; o 11 c htmdred rand or in; default of paymc11t thereof to be 1mpn'S01led for such a penod.

(2) An orde'r made '-!oder subasectoo:n (.L) s:baU be executed mulo.lis mw «ndis as if it were an ordet mad.c, by a magistrate's court under circumstances such as are desern, ed in that sub, clioo, and the provisions of a:qy Jaw w:icJ are applicable

86. (1) Turc \$haU bee no right, of appeal ag1i'll-St, an.y dooi<Sio:ni Appe.11 in of the specia eo'lilrt o.n.a que:stion: o.f l\ct., bu.t upoilil die deter-qrn::;;1i of law mlnati:on an appeal by the special co the: a:ppeUant or the Commissioner:, if dissatisfied with that determination as bem g crro:neous im aw. may by notice in wri.timg addressed to the registrar of the QOurt require e special court to :state :,, e3se sc:ning fonh the faets, line contential of the ptrties and U1e ddenruin.atlon of the court, for all a ppcal-

tn respect a such an. order made by a m gllStrak",s court shal] nllrtflis m11tanms apply in respect of an onki made un.der the

said S\!lbasectioni.

(a) m the provincial or local divis.ion ot th Supr mc Court of South Afri.ca having j111risdiction in the area in which the sitting of the spcc\_ial eottrt was heM; or

(h) if the nppe.]Jan!t and ilh.c Commissio!Dc:r lodge their wriUcm oomelJJt thereto wirth the, : gistra:r of the special ooert to tihe Appe'llate Division of tllC Suprerine O;nurt of Sot!ith AfriC"a., without: MY intenn.ediate nppca! to such prrivhlleial ot loc.a[ divlisiem.

and l!he provj1:1cial o. loca[ division o,r tile AppcUa:te Di"lisioot & the ease may be, may upon the bearing of the appeal decide any questi'ou of Jaw which I was or could have tieen properly raised before the special court, .!!Pd reverse, n:ffirJQ or antePd th deitermma'tion of the special court or uirut the :mat ter to the special ooun wiitll sm:h im,tmctions as the i. id division may tbiak fit to giw, or make Sllch other order as it may deem fit.

(2) Any such notice shaU be lodgedi with the: r gisuar of the special court wid, in thirty days o:f the dale of the notice i,ssu,ro by h.im !!!O( fyiin:g the decision o,f (he special court,

(J) The court by which a case, sha.11 b''' staited fo:ir aiit appeal

n kinns of sulM tfon ([) sh.all consiSL of the

were tbc members of the oourt which made the determination appealed ap inst, n.olwithstandiio\_g that a.my -PtrSon wbo in terms 0 this :sub,s-eclion is required to act a:s ihc President or a member of suclt fustm iQQed court is 110 [(m.g a judp or acting judge of the Provincial Divfaio n of the Suprem'.C Court 00 tcer11cd or , as the case may be. that bis appointment as a member of the spc;ial court Jurs since the date of the \$Slid do tctmi nation tiXpircd: F:rovi:dcd that if any pm on who was a member of the coun Jurs died or is for al:ly other reason unable so to act-

- (a) his pl.-ce may be itake:n in the case of the President of the court, by aey Judge or ;1C11iiog j'uds,c, of die Provindab Division af tile and second out the court of the court of the court of the court of the case of any other member of the court, by llin a count:urt, a person represelltative or the commercial community or a qualified mining engin or as Ute case may be, appolited as a member of the special court in terms of pai-agaph () of sub-section (S) of the said. secdoQ; or
- (b) the said court may, if the appellant a:nd the Commissioner so agree, consist of one or mo:0e the persons who were nwmbc.rs0 the court which ll!lade the dcttt-mination appealed aigainst and who are able to act as :afo:res:a:id,
- (4) Where for the purposes of \$11b\$-section. (J) any ju.dge or a judge has bein li? minated to tab t!l,c lace of the P ellt of the court which made the deternunatJO'll appealed 3.lain.st and such judge or aoting jud iso the opinion that it is im pos bl for the court as comtitut ed in terms of :(Xllra-grapb (a) the proli'iso to sub-sectton (3) to state a case for all appeal on the leriaf before it, he may afford the ap lith and the: Corrumss10ncr an op p orlllin.lty of addu.ctn,g ev1den befom that court. in regard to such point or J)Oiots as he deems necessary for die pu:rpose of enabling: the court in to state a case as required. or fie may set aside the determination appealed apit11st and order dmt tl1 appeal in mp t of wiikit the satd d-me,munatiloa. Was made, be heard and detennined de 110vo. (S) Aa appeal shal lie to the Appellate DMsio:n of the

(S) Aa appeal shal lie to the Appellate DMsio:n of the Supreme Court of South Africa from 0 d .ision of :a, provincial or l:ocal division under this section.

- 8,7. A meimibe,r of :rn:y spee.ial «iurt ,o:r a.Jud. of aoy diws.ion Memtel'i eouru ofthe Supreme Coun of South Aftica shaH not sofoly onaccoullt not di and d of his HabWty to oo assessed unde't this .Act be dee!Nd to be from adjudl.elltm,g. in.tc.Rsted iin any ma:Uel' upon which he may be ca:LIC?d upon. to adjudicate tlln;nmnd'er,
- 88. The obligation to pay and the ri,lht to receive and recover act of lating the contract chaQ; eabla 1, Inder this Act shall not, unless the pem.d'm,g •ppuJ. Commissioner so diruts, be wspendJ by any appGal or pen.ding the decision of a court Ofaiw Ilm der Section eight, JNix. but if all)" assessment is allocred on appeal or in conformity will any such decision a dui adjustment shalt be made amounts paid in excess beillg refi.in.ded whh interest from the dm e of receipl arnd. a.mon.nts short-paid being recomah]!'J wjth inter.e\$t from the due d te.

# P.A.RTIY.

#### P(J)'ltttut t111d Rewvery of Tax.

- 89. (0 Any tax cha:rge-a.blc under thfa Act shall be pa"d on Appoin(1).£ such days and at such places as may be notif by the Com. ... for payment of m:ssio:ner or as may be specified in the Act. and :may be paid in om, sum air ill insta:trne,m or equal o.r varying amounts as may be d erm.itDed by the Coanm-ission ha.virnig card to the: drcumsta:noes of the case.
- (2) MY taitpaye,,-, who fails to pay h:is tu on or before llhe day on w ich i:t fa P3(yable 011 this Act called ti&e dae datel s'haH pay., on any .am<runit paid after the due date in respect of such tax, intemt at the rate of 0.11e a1Jd a qt1.artu cents on each completed two rand of such amount for evel}' completed month co.ntain,ed in the period r koncd from the d1J1c cllatie to, thedare on wJueh the:s:aid a.mount.is p,1.id: P.m'V:ided that J11terest sb.dl not bi=, collected on any amount oif tax whicll is paid vlitbin s11.ch p odl as may be notified by the: Commissioner

iln the notice of assessment o r withl:n any exlcnsion of su.oh said! period which the Com oge:t may ,v,mt havjog regard to the circumst&1mes of the case.

- 90. S:ubject to the provis:.ioru of this Act, normal tax le-viable PcJso<sub>1,1</sub>; b-1 whom the:rc:um:fer shall be pa= hie-
  - (a) by any repremirtative taxpayer, in respect of any income ivctf or comtro]Lcd by h:im iDJ such n:presenti|Uve ca.pacit.y;
  - (b) by any spouse upon whom. any :scpntalil! um.cot notice has been :Sl!fV'C'd, \Vherc separate assess:mc-nts have beec :made upon two spouses. unde.r the: provisions 0 sub-section (6) of section .:reve1Jty-3eren;
  - (4:) i Tespect of apy other it1com and ; at o her cases. by the person by whom Ike Imeome is re ved or to whom or in whose favo'ilt it accrues or who is ft gatly entitled to the xceipt thereof:

Pto vid td that any person may :m:overr so znuc.h of the tuat on paid by him under this Act s due to tJ!c inc !!!sion in his income of any income deMtcd 10 have been received by him or ro be his m.come; as t.hc case may be. in terms of sub-section (1), (4). (5) O! (6) of section se.vtn, from the penoi:1 c titfed, whether on hics own behalf or in a rqresc.nm.tlve ca:pa.city, to ibe receipt of t&c income :so incil!&d.

- !M. U) Ca) Ay tax man. wl:ien it becomes dwc: or is: payable<. Reccwrr or tn.. b,c; dceincd to a d bt d1;1e, to the Go'l!mtment and shal be- p,ayaible to th Com:missiolilier in du; manner and a t dii! place prescribed.
  - (b If BIil] person fails to pay any tax with n t becomes doe or JS: payable by bim, the Coimmm. Looer 10ay fihi with theid I:: or iregistrar of any compete, nice court a itatement certified by b m as correct and settin forth the amount of tb!1'l tax so due or paya:bfo by that penon, amt, uc;h!tl.kment shall thereupen havti all the e-Jfl?CI:\$ of. and any yroeee.ding.s maiy be taken thereon as if'le were, a c.ll, iil judgment hl:wfuUy given m that coort in favour of the Com:missioner f,o,r fiquid debt of the amount Slecificid in the statement.
  - (c) The Commissioner may iMtiW, to proceedings for the sequest tration of die estate of a ny tu.payer and shalt foi (be, putpOteS of suc.h pitOCffdm8\$ be d cd to bethe e'ltd tor in respect 0 any tax due by such taxpayer.
- (2) Nomrithstandling anyOting cellitained in the Maigisntes• Courts Act Hllf4 (Ac:t No. 32 of 1944), n statema.1!: foJ" any a mount whatsoever may be fi[ed o. terms of paragraph (b) of su section, (1) with the clerk: of the court of *the* magistrate havi:n:g Jurisdiotion in respect of the person by whom s-u:eh amoum: is payable ht aocoldance with the provisions of this Acr.
- (3) Any tax: due and payable by any person married. withol:lt community of propertf and not :sepata t,odl from. his ,vifo uDde:r a judicial order or wnuen agreemeOJt Jllay be reeoYcrcd from tile cts of his.wifin \$0 far \$\frac{1}{4}\$ th!! is payab?i!in r poot of tlite ma;,rmc: of his wiie deemed \$to\$ be his 1.ni:der the prov1s.ion.s of su.b-:s«rion: (:1) of SGClion .reveu.
- (4) S'? muc. h of aniy tax ya lc J any person un, cr dli\S Act as u due to the lnc!Qs.Wn i n fl '5 income of any 1mcome dtiemed to haw t ved by him or t O be his income:. a1 the case may be, in terms of sub-section (J) (4). (S) or (6) of section se,ren; ma,y be recovered from the a, its by which tlbe fucome se meluded W.u produced.
- 92. It shall not be compelent for any person in any pro- CakQ!n,m:01 ceed!11,gs fo con.nccdo!i with any .stateme,zii filed in terms of t!,s.m t nnot paragraph (b) of su ction (l) of section .rrinct;Hm e to question que, on it the: coJTCctness of any assessment on which. such statement i based, notwithstanding 'that objection and appeal may have been lodged themlo.
- !a (1) If the Olmmissioner bas, iin accordance with any CoMection of arrang ments made Whom II; le government. Of any other counting laxe-st under U: m; I/J;, or territory by an a mooi entired mto uncfeT : seefioo one under: Steliol; I 108. Jumdffll and eight or C!he corresponding proliistion of any ;p,corliious In e Tax Act with a view to rende' Jling reciprocal as,s. istamoe in the coltection of taxes, received a required for the,

collection from any penon in !!.c Republic Of an amou.nt aUeged to be due by him undtu th,e income tax laws of such olbtr CQUin:try ,o r territory, die Cemmissione.r may, by noti'ce in writi:n:e, caU UJ)OII su.ch person to stale,, wiitbirt a period specified m. the noti-Oe, whether or not he admits liabjb y for die said amount or fu:r any le\$Sat amouint.

- (1) 'the Commis!.ion.er may-
  - (a) if such pfflon s.o ad:mla lia.bnitf: or
  - (b) if snch person fails: to ooinpJy with the 111otiee or in nswer to the notice d mics his tjability tor the said amo'u.nt or for ally Jlli1t thereof, and Uie Pl[Imd:eaflt of the .s citll Cogrt l'l3ili omtffifd that he l1a.s afron:IE:d the piuson cor11;emed an opportunity of p:resenti:ng bis case. od tlmt on the: infomialion Sdb:mitt.e-d llo him by the Comercuufoner :and iby such p rson (iif any). the amount s pecified in Ute cei1i&ate appears to be: payable bysuch penoDJ in tennsof a final determination under the i:noome tax laws of such ,o ther eo ntry or tCfl'ilory\*

by notice in writing rcq ulire such pEr&orni to pity the amount for which he has awnitted liability or the amount so specified. the case may be, on a d:1, at a place and to a perso m specific d 111 the n:on for trails; mlsn on UJ the proper authority 1m S.!!!Ch other country or tert!:liory.

- (3) Ir su.cb persou fail!s to comply wit.h the Mlice under ubscciloo (2) the amou: at in qlile Uon may, sll.bjcot in: the ease o:f a:niy amonat to which any such certificat, e relates, to t:he 0111.come o.f any proceeding; which sll.ch person may nistitute in sucb ther country or territo<ry for d.eler:mimlt'lg his liability for the said amouar. be r«oveud for trallhiission to U.e said authority as if it were a tax payable by such pe, rsoa under lhfa L
- (4) No steps taken in any other oountry or territory 1.1oder. amy S:0'3QgemCD1S referred toinisub-si,clion | I}, for the collection of a:n amount aitle d to be due by any person under the illcome tax Jaws of thL'l Republi and no judgment given a,gains.t aoy such rson in pursu noc of such ainang,r;ments iDJ sucb other oountry or recritol1Y for any sui:::J1 am.tnint, shaU a.f.fGct his tight to ihave his liab ility for any such amol11n:t determined in tic Republic in accordance with the provisions of tlic ulevant law.
- H. The pmduction of any documeanl under the hand of the EYjde: as lo C.'ommissiomer purpo: timg: to be a copy of oranextra:ct froin: any il-\$\$tfflll nts, notice of assessment shall be conclusive evhknet of the rnakin:g of su.ch went i.nd., cept in the of plloceedills, om: appeal aigaiml the asses.smeru:, shall be concilu: s'ive evidence tliat the amou:nt and all the particuia:r.s of such as5i:ss.mtnt a:ppearing in such document Eire correct•

## PAR'l' V.

## Represenrathe Taxpaye1,1,..

- 95. (1) Every representative taxpayer ! Itdl as regatds the Liability <1 i:ncome which he is en tied fa hi& tative carpa cy. or of which. In such ea.paoll.y be has the manage:m nt\* receipt, dispo&a[, remittance, paymeat ot control, be sl,1lbject in an re-spects to the :same dllije5; responsibilities a:nd liab:ilities 115 if the i oonrti, Wm i.n.coow received by or acc:ruinig to or in :fav0111 of hillil bc-nc.ficfaJly and sbn.Jl be liable to \$Die11t in his own aani-e hi res of that incoi:nJ, but any S'lilth.assc.ssment shall be deemed to be made: upon him iai his :iicpresei:rta<ive. CSlpacity onmy.
- (2) Any abatement duetio:n ex.c.mplion or right to set off a loss whic'h could be claimed by the person represented by hilll shall be aUowed in :thi! asswm.ent. made upon *the* represen.. tatiiwe taxpa:Jtr ini his capacily as sutb.
- (3) Any lax payable in mspect of any such ass,cssm.cnt shall, save in the case or an assessmeltt upoof the pulb!lie officer of :a compall'ly, be :recoerable from the represents.tive: taxpayer. ibut to the exumt only of HY a belongirif to the persop whom he represents which m:)y be to his pos su)n or lmdet b,1s:

- 1(4) Any x: payable in iltsptct of any. assm ment upo:n a public officet of a gompamy of his capa ty as nocl! shall be tcCOVerafJle from the tompany of which the js, the public officer.
- 9'6. Every Rprescotatwe: taxpayer- who, as such, pays oy Rifht ol" pursual brown costation in the costation of the costation C!lmt IJ!al' M HI!US. possessiOJl) or Mal co tolhfm m. bis Si!Ot'l.tllle ea:pac-.ity, .an amo1, 1111 cquai to the amew1t so pSlld.
- 97. Every ropresentaitivie taxpa.yer sbaill bi::: personally Ifabte, ; liability for. an y ta:x :ea,ya.bfe f him in his repteseamtive capac ity. 1f. of fill tatlvei while 1t ricmauis u:n p 1d- taxpayer.
  - (o) he alienates, charges or dlspo\$U OT the income in ilCJpcc! of wbidi the ra,; is chargeable or
  - of or; ans wilb aQy fnn or money. wbwh IS ul hi& s-sets:uin m comes to him after the tax is payable, If the tax could legall y have been paid from or out or such t1:10d or lfnQmcy,
- 98. Where a shareholder or a: mcmiber of a company is 0:nBpi:a1 o.t from lb Republic. such CO"mpany shall for the ln lrposes it=:a\_r. of tlus Act be deemed to be the, agent for sucli. s&amhofder or member, and shall as regardls, s.ui::h shariCibolder or member and in respect of any income rncci.wd by or acoruii'lg to bbn or .in his favOtll' as a s :atehaCder or member, have and e crcise all! the powers, duties and respoasU,ilitics Df an agent for a t.u:pa:yu abs-ent from the Republic..
- 99. The Comminer may, if he thinks n cssary, deoiiarc Powir to :an,y p()tsO!tl to be the apt of an:y oilier plmlOn, and the petso\_n appoint !1:,pnt. so declared an aijent sfiaU be: the for :the piuposes of this Act and may be regilized to 1!! payment of any ta due fram any mone. mcludmg peMJons\_saila:ry, wages or .any other remune-muon; which may br::: be!d by bim for or due hy him to die person, vlwse ag t l1t(II hu been dwred to be.
- 100. The Commissioner shall have the same remedies against Remedies of all property of any kind vested in or under the control or against agent or management of any agent or trustee as he would have against trustee. the property of any person liable to pay any tax and in as full and ample a manner.

101.. (1) Every eompany car:cying 0111 busmw or having an Pubik: offian of in llie ': Public s U at aU times be represented by an comrp; aniies. H1dlwdlua[rc&uling thereJD.

{21 Such individual shall be a pe,no:n pproved by Ike Commissioa:cr and .shall be appointed by the compa,ny or by a.n agenit or attorney, who has awthority to appoint such a repr<sup>1</sup>/<sub>4</sub> • sentative lb.r the purposes of libis A.ct! Pli'ovided that in the even.t. of any CODi.Pal}Y belag placed in vol1111tary or ompulso:ry liquidation tile liquidator or liquidations: duiy a ppolo.« d. shaU be wited to liquidation of liquidations of liq ini ftSpect of Ihat OO in uited to ru.uctions and assume all the responsibilities of .a. public officer under tms Act dl:1ring the C<fflJtmuan.ce or the Iiqoida.tioo.

- (3) The representative shall be cali:d. the J):UbUc officer of the company and shaiH be appointed within one month a.fler the- comp.any begins to carry on business er acqllifd; an offi.Qe in the Republic.•
- (4) In default of u y sudl ap, pointment the p11blle oillker er an, company Snall be such m1aagi11rg director, director :liter-e taey of other officer of the comp3BY, as: the Con:unlssioner may deiiginate for that purpose..
- (S) Every company shall allso within the period prescribed by sub-section Q) ap nt a place within the RcpUbic ap-i,,roved by ttui CQIIIIII1'\$S.jonet a:t which ooy inotices or oUter i::locumCJtts under this Act aff.eetlng Ole company ma:y be senred or doli!YCttd or to which any sucb notiO?s or doc11:1Pents Qlay be
- (6:) No appointment shiall be <u>deented</u> to have bttn made, under sub-soccion (1) or (S), until notice thereof pecifying the name of the public om and aD. address ror smice or delivery of notices and docum,e,mts has been give-n to the Commhstem:c.r.

- (8) Any company which make:; dcfault i'n appointin,g a public officer or appointing a place, for service or delivery of no e.s in acoo:rdance: with this Act; o:c Jn kc ng tho office of ptlbllc officer ooMtantly filled, or in mainmnng a place for the service or ddivery of notices. o:r which fa.ims to notify to tl'le (?,mi:ni5-Jloner change of pu.blic officG.r oi:- of that, place for the service or try of rioliccs, and every pers, on who ;licis wilhin tibe Republic as agent or manase, r or representative of swill company, shall in u:r a penalty not exceedillig two rand for every day during which the default contin'lles, and any such pen.al, cy s'ha.H be tteoverable by the Comi!Jtissjoner by aetfon n: ;my f;Om,petent coun:
- (9) Evocy no process or proceeding whfol. I under this Act may begivffl to, sm,td 111pon or tab mi against any complut:y. may be given. to. served 11,pon or taken against its 'Public officer, or jf at any time there is no **rblie** officer, any offker or pel'solill aeling or a:ppu ririg to act 111 th("!; 1[1;3.pa,gmnent of the business: or aflhlrs of su,cb company or as agem for nioch company.
- (101 Evecyr publi olfice.r s:haH ibe answ-e,rable for the dloirig <|f 31\$ s uch actS, matters or th ngs as are :reqwed to **be** done 1:1rulcr this Act by a 1ax pa.yer a:nd!. in case of dc&'iiirt shall be liable to the p,0||!!||iiM prOlii.ded iin rfl,petl of dvrl"au:Us by a tax-payer.
- (11), E.verythlng dome by any ptJMic olfoer which he u: required to do in. is represent thit ive ea:pacicy:shall be dc01ed to have beel1 done by thi= com.:pany which he up11es.ents.
- (12) The aibsence or no11 pl)Oiotm t of a pubUc officer shall not exontmte any ecompail. JIY from t&i::: nt«Ssiey orcomplyjne: wkh the pr-m, isiou of Utis Act, but thl3 cc:m. pany shall in all wpcets be sUJbject to and liable to oom, ply with Che proyisions of the Act as if tha: e WOr, e oo regulire, me.n. to appoint SI"Ohoffi.
- (13) Any ubli>c oJlie=r appoiJJted or deemed to hav:c beeo appouted under the provistons of t:b.e Income Tax Ac 1941, and holding office at the commmto m.ciot of this Act shall rovided 1.10 objection to his 00luinuance in office is raised by the Commission« be deemed to be a public officer appointed Hlder this Act,

#### PART VI.

#### Mkcelfa1reow:.

- iOl. (1) Hit is p:ovcd to lhes. J jsfaction of the Commiuion Relwnls. lb. at any amount paid b) a: lift J?l, yel was in excess of the amount perly c;:harg:eable 11111.d« this Act. or any previous, In.co.me Tax Act, the Commissfoncr may all thorize: a rerund to such tax.payee of any tax overpaid! Provld!cd. that no amount paid in respect of .m. assesment made io accorianoo with (he practics genera. Uy p revailing ail the time when that assessment was made allil ruxel ted by Oet axpayer; s.haU be de med (o haw. bocn otherwise than property so ch. abk.
- (2) Tue Co:mmi | hall It'.iol a.tUh.oriD any r-eflln.d UDdtr tms section. unless the claim therefor i:s made w j,thi ni Uu:r ee years a:ner the date when the assessmc:11t wns:made.

(whe, there enter, ed into or carried out be: fore or after the com.- or scheme i: tlons: (whe, there enter, ed into or carried out be: fore or after the com.- or melWe:me:n or t s Ai::t. a!'d cludill g a transaction, operation. or sche:m.ci trivoll!!!Ingtlieaihena.uon of:prop;rty) fuu: been en: taled. (I) ar ulto or carried out which has the effect of avoiding or post-post. post. point liabitil?" any lativ: the duty ed laby an pincorne A (incliviting form) feins itieu. w::llog t, tale on mecme. Commissioner having regard to the dreumstances undet which the tr-ansaotkm. o,e, at fon or scheme was ent.c.red into o.r c; ar:ried out-

- (j) we controlled into or carried out by m.eao, or in a manner which w, ould not oormally be employed in the entering into or car.eying out of transaction, operation or schiemcpf atu.rc at the transaction, operation or schememquistion; or
- (ii) ha-s created dghts or obligations which would not orma:lly be ctcaud btAweel\ persons dealing at airm"!J ?mgtb mider a trusactton.l operation or sche.me 0 the Qal:me of the: tmn.sactl-on. operation or sclleme in question,

and the Commission is of the opinion that the avoidance or lhc postpontment of s1roh li:a.bilhyt or Ute reduction of U1c amOlfflt of such liallility -was the sole or one of theRta.iio p of the transact:iolll/, o t:i.0111 w &:ti.em itlie Co::nmussLon et l!baU. dctemune the i biUcy IW any tax, duly or levy on inctime and the ammmt thereof as if the transaction, operation or scheme had not been ent e:red in to or carried om or in such manne,r as .in the cU"Cum&tances of the case be decm5 appropriate for the: p:r.cvell'tion or r.liminmion of s:u.ch a voi danc"e postpone.. men U r.eduetlon.

- (2) Whena'!IC1' the Commissioner is satisfied. that a:ny .ay ment or ai:q- change in the shareooldiQg in .any com1m:ny, as a direct or mdiirect :resnlt of w&ich income has been :reccl.wd by or 1 acemed to that company during any year of assess ment, has at any till.IC bcfoJ:e or after the wmme:ncemut of the lnoome Tax Act, 1946 bcea entered into or effected by any persw solely or mainly for the purpo ofudlfai111g ai:iy assessed loss or anyoalani:e of a&sessi=d lou 1ncw-red by thei eompa:g,y, in orMr ki avoid lliabiJaty on Qtc pan of chat company or any olhet person tot tile payment of any tax, dutyor levy on jacome, or to r uoe the amount tlu:reoft the, s,e,t off of any such assessed loss or ihda:ncc of assessed oss apiru;t any slick Income shallhe disaillowed.
- (3) For: tile plll])OOes or sob-section (1) any transaction operatioD1 or scheme (whet.Mi en :M. TO or carried out before ot after the commen i:!!t of this Act) when by person i(other than a co any) who is ordiomly tesidio:t or carrying on business bill the houble or any commen is the republic of the commen in the republic of the commen is the commen is the commen is the commen in the comment of the comment

by sue bi pen ?Il ot !luch com.P;Ill)". Man y, CDJQp attil) e gi s di o:r incorporated m the Republic to acy pc-tSOm (other than a. company), not otdmarily resident nor ea.rryjll!g on bosines& in the Republic or-to any compaar registcu:doutside the Rq,ll.bfic, se ll, unless it is p,ro\u224ed to the satisfu:tion of the C'ommissionw at the patties a independent peroons dea g a:t arm's !cogth Vi'lth e:acb. oilier, be deemed to be a transaction operation or sehealC cMCred in.to or carrled out by mtans. or in a munCit' not monnally emplo:ytd in the e.mmng into or carrying out o.f such a transaction, peration or scheme in question.

- (4) Af1Y dcciMom of thee Comimksioitu wider sub-scctioo (1).
  (2) oii (3) &ball be siwj:ect to objection and appeal!. and whCD." tin pmcecdillgs :relating their to it is prowd that the l-ran. action, ope.:ratioo, sth.; me, agreement or chauge in :sluar poolement of liability for paynim t of any  $\mathbf{m}_1$  duty or levy oii theometor in the mucti,0,n of the amount thoreof. it shall be pifCSUmed, uctil the colltracy is prove
  - that its so e: o:r one of its man purposes was the avm ance or fhe postponement of s:uch iliabni y or the: Rd,uctro-n of the amount ohud! Habiity: or.
  - (b) in the case of any &uch agreement or change in s'b1ro-hofding, ilhat it has been entered into or effected soldy or m for the pu,rpos,c of ulitiring lb auc:s:sod loss or balance *Ot* assessed Joss in question in o:rder to a oid ,0,r postpone sndl liability or to reduce the amoul 1,c Cihcnof.

lo.t. (1) Any persoD who with mtell.t to evade or to assist Oll'@CeS ad 3DJ other person to cvaide a!i ssrntnt or ta:xMion - pe:mllies.

lli.a:kcs or causes or allows to be made any false state, ment oil entry in any return rendered in terms of tms

- Act, o:r signs any stl.te.ment or return so rem:dffldl wjtlhout onable gr.oun& for believing the same to be true; or
- (b) gives any faJse; anSweJ, wheether vqbQl!!!ly or in writiDg, to Illy reqlics or inform.won mad(; under this Act by lh.c CommicSsiloru: ot any per.son dwy al:1tborized by him or any oJiccr refermi to im section lheei or.
- ,(c) p eparcs or maintains or authorizes the preparation or maio:tc.eance of a ny false books o.faoccunit or other RCords or fals"1cs or amhodzes the falsiification of any boob of account or othel records.; or
- (d) makes use of any flau.d:1 art or cont.rival1c:e whatsoeller. or autho is the :us ot :iny such fraud, art or contrival.
- .shaU be:, guilty of an offence arid liable on conviction to a fiM n-ot L?di n.g ooe thMtand mad or to tmpr.iSODDi.ent for a period not exceeding two years or to both such fine and: such imp;riswi ment
- (1) Whue:ver in any pllocwer:ngs under tbi:i: setlion it is proved! tllat any fi be statement or clil/try Is made in any rewm ren.de:ised, 11nder this Acl by or oni belialf of amry taxpayer or any boob of ao:ouru or other reco:tds: Of any taxpayer, that the paytr 11hall be presumed, u:ntil the coDtrat) is, proVisd, to llave made made. false statement or entry or to have ai.used thill false state:men or elltey to be made or to ha¥e allowed it to be made with intent to evade: a the or taxatiom, and ainy other person who made, any such false statenu:nt or entry saaU be presumed 1:1mil the contnty s proved, to have m.idi:: such fal!se statement or entry with intent to assist the taxpayer to e.,,.ade aiSKSsment or taxation.
- 1(15' Any person oliarged with no offence liuldertWs Act m.ay:. J g,n not with standling anything to the oodtrar.y conMin.ed in. any of co\DU. b w be tried in respect of that aJFenee: by any court having: sdiction within any area in which h :resides or ca:rries on bu:sln!!iSS.
- IM 0) Any fonn;, notice demand or other document issued long or given by or ?n bchalr of the Com foner or a!1Y oth of olice,r ufllder this A<:t slmll be sullioie:1ub' outltentleait u.

  U.c name of the Comm.issi.o:ner or offnu by Whom the same is Issued or given js stamped or printed thereon.
- (2) A:ny noti.'oe required or autb.oriu:d undw this Act to be suwd iupou .any p E!lon sh.aH be effectuaJly ffl'VCd--
  - ta) if dcliwr«t to him: Ot
  - (li) if *left* with some adu U P ff ou ap, J'anmtly residing at or oecu; pyililg or e:mployed at hls ta.st bl.own Bbode or office or phtoc of 'business .iin the Republic; or
  - (c) if despatcfJ:ed by regfstered post in an envelope od which I'S written his name and his Jast kn.own addric:ss., which may be aey \$UCh\_place or office a:s is u&rr:cd to in para,raph (li) or his last known post office: box number or tl'latt of MS employer 1 a.nd
  - (d) in case, of a coonpa.ny-
    - (i) d'deJi.vcrod to the publi:c officer Qf th, e company or
    - (H) ir Wt wHb some adult person apparently residfo g at or occupying or empfoyed a:t the place appoilil ted by th-e oompai:ny under s.u,b-sootion (:S) of stetion *orre* hu dred and one, o, wheir,e mo, soch place has been ;1ppofoted by the coopany, if lcR with s:om. aduh son: appa.rtndy resi.li"g at or o cu(Yyrng or eJil!pfoye,d: at the fast known Office or place of business of the ,co mpany in the Re,p:ub lie; or
    - (iii) if despatched by registered post ini an cn velo pe on which is written the name of the companiy or its. public officer and its or his fast known ad ress., which y be any such om or place as is referred to m su paragraph (i:1) or its or his last tnown post office. box 01;1,m,bu or thall1: of his employer.

- (a) prescribingdwdutics of all personse ngaged or employed ia. the :u:b:qjgjstr tiOD of this Act;
- (b) ,dd;mng tm limits of .areas w;lthi.n which !luch persons are to act:
- (c) p,resoriibfog the m:tuR o.f the a.ccowls to be .rendered by any taxparyem support o:f aoy rctll rendc1ltdl under this. At t tmd tbc :murner jn which such aecounts shaH be aut.he:nueatl!d;
- (d) p.rescrifililg the: i:method *ot* '\la!tu.ation of annuities or of fiduciary, usufructuacy or oll! I mted in.tcrcM.s in property to in seciiion .stzry-swo;
- (e) prescribit, **c procedure** to be observed i:n 'lhe condu.>Ct:
  and hearins of objectloms and appeals before the
  special couns,
  and gellCraUy for **givimg** c.ifect to the objects and purposes of
- (2) Th.o r-cgulatloM may practih4li pcn.a1liits fo.r any conttavutfon thc-ffOf or failUM to comply there-witb<sub>0</sub> not exc«dm,g alfin.c of fifty:rand.
- (3) Any regufutio.nt made under the Income Tax: Act, 1941., and in fo:n;e at the d:ate of commem;ement of this Act. shall be deemed to hav,c been made uruier this Act.
- 108. (1) The State, P identimate wide Pito an menhvith :: I.h. the gover: m of any 0.b.er of Witry or termozy wheth y double taxation atrain ents are made, With sach gover... cnmimt with a viw lothe prevention, indligad of or discontinuance of the Jevyin&, 11:0.der the: Jaws of the bpubUc and of such other cmmtry or terrillolly, of income tax in response of the same informed, or io the rendering of reciprocal assistan(:G ia. the a.dmiwtm tiol 1 of add the coUcction of these under the income tax llaws of the Republic and of such other £0Un:ltY or territory.
- (1) As soon as <u>may</u> be a:l:kr the co:oclmion of any such. 3.p m.cnt the a:tta.QgcmC:!!i.l1 thereby mada sh.a.H. be notifi by proclamation by the State President im the *Gaze.tie*, whereupon unrti such proc:lamatio:n is nwoke:d by the Slate Pmi deo me Ilrrangemm ts notified the reini shau; so fur as they relat!: kl mmum9", exempdoill or reIM jo mpect of income in the Republic haye effect as if erta0ted in this Act. but omly if and *tot* so long as sl:lcll afl':lilgil!IMDU, ia so tar as they relate to immumty. exemption or relief im respect of income tu levied or leviable fo. such othear country or t.trr:itnry, have the cJiect o.f law m: such oountey or territory.
- i(:3) The State President may at any time rev:O!k.= wi,y- such pr.ocJamation by pmclamatioo :in 'the *Gazette*, and the mangemenu notilied ini slleh earner proclamation shall cease to have clfcct n a date lh:ed in. illeh latw.pmcJl.mation, buc\_tilt revocation of any piQC!!amation sbaH not affect the validity of orby:king proclamation shall cease to have
- (4) As soon as m.ay be aftcli the publication in the Gazelle of any procrunation Wlder this ctfua copies !ID!of sb:all be laid upon me Taib'ein the Senate arndin the H.ouseof As5':mbJy.
- (5) The duty imposed by aay taw ro rv0 secrecy with regard to income tax shall not prevent the disclosure ro any au&omcd offlocr of the oounuy or territory m.cn.cioned in an ypA>Cfamation it.sued in terms of sub-section (2.). of the facts, knowledge of wmch js:MOCSSary to enable ft to be determined whether immunity, emmption or relief oqgbt to be given or whim it is to discloie in order to receive assistance in 8lOCOI'dance wJtb t'he anat'llgemen notifttd in ,uch p.roclaJDarli!o:GJ.
- mlb the Adimuustrator of the mrritory of Sou tb-WC5t Africa double rtaxatic m whemby a:rrangem nts arc made with a view to the prevention,. IItl Re blk: and mitigation or wsoontim:ianee: of the ling. under the taws of SHtb. Wes.t Africa. the Republic: ailld of tbc said tefl'jrory. of in.come tu in respect the same to the rendence (!fuciprocaJ assistance m the administration of and the collection of taxes under the in.come tax laws of die Repl:lblfo an't! of the said tenito! IY.
- (2) The prollision:s, of sub-sections (2) to O)t inclusive, of section one hundred ond eight shall mrtat.is mutamliJ. a:pp.Jy in respei;t of an ee en,! referred i suo-s,edion (1) of this s.ccuo:n: ProVlded di.at.rn. the: a,p lcatio'.n of the saitd pro.

visions, we reference: therein to the slau Pttsfdlfflt or 10 a prodaimation by the State resident, sham be c;onsmied as a reference to the Ministtr of Fina!tlOc and 'to .a 1:10 bythe said Minister :respectively.

- 110.(I) For the purposes of any lease Of the right to mine i'!IIUopof fbr g,old i!l which provision is made for the set-olJ of t&e whole or a ponion **O!** tb.c amoul!! t paya.bJ of tht! ksse:c: by on of for a.ay 10cNaSe 10 the s:cate of taxation levtable upon .mco:mes ccmiio. lea5es of derived ftio:m mining for goJd against Ute annual el"ation Ui riaht to. payab-k-: by the lessee: jn ICS:J)!!Ct of such lease. a:ndl which has :a& mmei ror gold. the basics for determi!ting wll.ether or not such. an inc;ease bas been eiff"etted the: b:ttation wlll.J.ch w.1.315 Jeviable at the rates prescribed by eit:hcr-
  - (a) the L.r.J.Joomc Tax Act, 1933 (Act No. :n of 1933), a od the Gold Miines Excess P.rofiCS. Doty kt, 1933
  - (Act No. 33 0; 1933) or () the: Gold Mmes Profi Doty Act, 19J3 (Act o 33 0:T 19.33), as amended by the old M nes Excess Profits Duty (Amendm.ellt) Act,, 1934 {Act No. 43 of 1934}, and the Income Tux Act,, J934 (Act No. 44 of

the amoumit 10 be :so t off ill. :resp¢et of any )l'Nr shaH be the amount by which thee a mount of normal tax leviable for that year upon the income derived from mimmg for goldt imdud"og excess rcooupmmt:s of capital ex tu, together with an am.ollil eqool to the amoullt of go profits surtax which would have been pad ibtc for that year by t'lii lessee concerned, if the provisions except a two of the Goldi Mines Excess Profits Docyr AmendmcDt Act, 1935 (Act No. S) of 19'JS)i, had still beem in rorce and bad applied in pcm. of that year, e:<ceeds. the amount of normal tax which would haw becl!! payable! fur such year on the same inoomc; if the provisions. of section one 0 the Income Tax Act. 1936 (Act No.. 34 of 1.9 36), had stiU bell in fotce: and had applied in respect of that year.

IU. (1) Sub eot to tb. provisk,ns. of sub.section (2) the RicM of rn.ws. la"HS spec.1fied m tke Third Schedwe are hereby repealed to Ille e.xte!llt set out in the thi:rd cot'unn.n th t Sci,cdel Provided that any tax O'I" other amount whkh b,nt for such .repeal '-"Onl'd ha:va been c:apable of bc=i:ng levi£d. as or r d and wh.ieb bais, not been te"i'ied, assessed or recovered it tho commen.ce:ment of trus Act, may bo. It.vied, assessed or :reoo\.-cred as I such repeal had not been effected.

Any notice or ptoeJa:matlon !!.\$UC!:d ,Qr rc.gldatiion made or anything dlone under any pro'<is.lon of a law [ed by :"!!00-sr.ctio-n (l) .s.h.a11 be & med: to have b issued, rtn:aidc or done under the co!ll'CS'pond:ing pmyJsfo.n of this Act.

li:1. This Act shat be caH«l the: Income ax Act,, 1962,, sbort title; mol amd shaH come, into operation on the lint dlay of July 1962 collillJlCncc:mcnt.

# First Schedule.

Co: UT. no I 'I' ADU INCOM!! DEJUV.ED I'II.ON P.urou.i.., AGR:.ICUL"WRA1,. OR ODII!R FAItli(II\,'U UPEIU;110:i.'il.

tsc,cliwl hv. UrlJ'-;1% of llus Act.)

1,k this SditdUlle. a rel'eJ, ence ki tho end of a :yea:r of aMUSID9t inclum, whole 11he period 5td is less l'ban t'W\\l, ve mo.mhs., a Rifeffllec ki the end of. thilt petfod.

2 Every fanm:r sbll include in his nm•m rendered for income ta: purp! ses the v.mle of all liw:stQCk or prodl.ke held and no:t disp of by him ait the beifinin l and this end of (||.c) vee'r apru. (2) and (||.), the valu Or II.v.cstock (reduced as prmii.ded in paragnpll JO) or produoc 

- (3) Any h'IIOSI.Oek: w.hich Is the subject of ?JIY "'sbeeiP Ic:ue•• ar tMmil'M !.lp-t:c nt  $_{\text{CQ!!:1,CC!:fltmg: IV}}$  vm(X;k. :slla,M be d t,f be hclil and! not daipo.sed of by tb paruar of such lcau or agreement.
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- 18. (1) There shall in respect of each year of assessment be included in the income of any company carrying on farming operations so much of such company's unadjusted balance of livestock values (determined as provided in sub-paragraph (2)) as does not exceed the value, determined in accordance with the provisions of paragraph 5, of livestock disposed of by it during the year of assessment in question, until the amounts so included are in the aggregate equal to such company's said unadjusted balance of livestock values.
- (2) For the purposes of sub-paragraph (1), any company's unadjusted balance of livestock values shall be determined—
  - (a) in the case of any company the values of whose livestock and produce held and not disposed of by it at the beginning and end of the year of assessment ended the thirtieth day of June, 1954, were not taken into account in the determination of its taxable income for that year, by deducting from the amount (in item (b) referred to as the company's opening value of livestock) which was taken into account in the determination of such company's taxable income for the year of assessment ended the thirtieth day of June, 1955, as being the value of livestock held and not disposed of by it at the beginning of that year of assessment, the sum of—
  - (i) any expenditure incurred by the company in the purchase of livestock which was not allowed as a deduction in respect of years of assessment preceding that ended the thirtieth day of June, 1955, under the provisions of paragraph 4 of the Third Schedule to the Income Tax Act, 1941;
    - (ii) the value of livestock held and not disposed of by such company on the thirtieth day of June, 1913, or on the date (not later than the thirtieth day of June, 1954) upon which it commenced or recommenced farming operations, whichever date is the later; and
    - (iii) the aggregate of the amounts included in the income of such company in terms of item (b) of sub-paragraph (1) of paragraph 11 of the Third Schedule to the Income Tax Act, 1941, in respect of the years of assessment commencing with that ended the thirtieth day of June, 1955, and terminating with that ended the thirtieth day of June, 1961;
  - (b) in the case of any other company, by deducting from the company's opening value of livestock the sum of—
    - (i) the value (reduced as provided in paragraph 9 of the Third Schedule to the Income Tax Act, 1941, and taken into account in the determination of such company's taxable income for the year of assessment ended the thirtieth day of June, 1954) of livestock held and not disposed of by it at the end of the said year of assessment; and
    - (ii) the aggregate of the amounts included in the income of such company in terms of sub-paragraph (2) of paragraph 11 of the Third Schedule to the Income Tax Act, 1941, in respect of the years of assessment referred to in sub-item (iii) of item (a) of this sub-paragraph.

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# (Paragraph (e) of the definition of "gross income" in section one of this Act.)

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membership which is common to such fund and any other such fund, if such common period has been included in the period of employment or membership taken into account in applying the formula in relation to such other fund;

(b) unless, not later than the date on which he submits his first return of income in which is included or should have been included any lump sum benefit referred to in subparagraph (1) of paragraph 5, or within such further period as the Commissioner in the circumstances of the case may allow, any taxpayer who is a member of two or more such funds having a common period of employment or membership informs the Commissioner in writing in relation to which fund such common period shall be applied, the said common period shall be applied, the sext result for the taxpayer, determine; (ii) "formula B", in relation to a pension fund, provident fund or retirement annuity fund means the formula—

Z = C - D,

Z = C - D

in which formula—

(a) "Z" represents the amount which has to be determined;

(b) "C" represents an amount not exceeding twenty thousand rand representing the sum of the amounts calculated in accordance with formula A in relation to the taxpayer in respect of the different pension and provident funds of which he is or was a member and from which any lump sum benefits were or may be derived in consequence of or following upon his retirement or death on or after the fifteenth day of March, 1961, and the aggregate of the lump sum benefits received by or accrued to him from retirement annuity funds in the circumstances described in sub-paragraph (1) of paragraph 5 on or after the fifteenth day of March, 1961, and whether in the current or any previous year of assessment: Provided that the lump sum benefits in respect of any retirement annuity fund taken into account for the purpose of this calculation shall not exceed the amount received or accrued in commutation of not more than one-third of the taxpayer's annuity from such fund, or, in the case of the death of a member before his retirement in relation to such fund, an amount equal to one-third of the member's own contributions to such fund (including so much of any amount paid into such fund for his benefit by another approved retirement annuity fund, or any approved pension or provident fund, as represented his own contributions to the fund by which such amount was so paid) together with reasonable interest on one-third of the said contributions calculated from the dates of payment of the respective contributions to the date of death of such member; and

(c) "D" represents the sum of the deductions which may have been allowed to the taxpayer in terms of sub-paragraph (1) of paragraph 5 of this Schedule or sub-paragraph (1) in which formula-

tributions to the date of death of such member; and

(c) "D" represents the sum of the deductions which may have been allowed to the taxpayer in terms of sub-paragraph (1) of paragraph 5 of this Schedule or sub-paragraph (1) of paragraph 5 of the Fourth Schedule to the Income Tax Act, 1941, in respect of previous years of assessment; (iii) "lump sum benefit" includes any amount determined by the commutation of an annuity or portion of an annuity and any fixed or ascertainable amount (other than an annuity) payable by any fund referred to in paragraph (e) of the definition of "gross income" in section one of this Act whether in one amount or in instalments; (i)

(iv) "pension fund", in relation to any taxpayer, means a fund (other than a superannuation, pension, provident, widows' or orphans' fund established by law) which has in respect of the year of assessment in question or any previous year of assessment been approved by the Commissioner as a pension fund as defined in section one of this Act or the corresponding provisions of any previous Income Tax Act, if during any such year the taxpayer was a member of such fund; (iv) "provident fund", in relation to any taxpayer, means a fund which has in respect of the year of assessment in question or any previous year of assessment been approved by the Commissioner as a provident fund as defined in section one of this Act or the corresponding provisions of any previous Income Tax Act, if during any such year the taxpayer was a member of such fund; (vii)

(vi) "retire" means, in relation to a member of—

(a) a pension fund, to retire from employment and become entitled to the payment of an annuity from such fund;

(b) a provident fund, to retire from employment and become entitled to the payment of an annuity from such fund.

(c) a retirement annuity fund, to become entitled to the payment of an annuity from such fund.

entitled to the payment of full benefits in terms of the rules of the fund;

(c) a retirement annuity fund, to become entitled to the payment of an annuity from such fund.

and "retirement" in relation to a member of any of the said funds bears a corresponding meaning; (vi)

(vii) "retirement annuity fund", in relation to any taxpayer, means a fund which has in respect of the year of assessment in question or any previous year of assessment been approved by the Commissioner as a retirement annuity fund as defined in section one of this Act or the corresponding provisions of any previous Income Tax Act, if during any such year the taxpayer was a member of such fund. (v)

2. The amount to be included in the gross income of any person in terms of paragraph (e) of the definition of "gross income" in section one of this Act shall be the aggregate of the amounts received by or accrued to such person by way of lump sum benefits during any year of assessment from any pension funds, provident funds or retirement annuity funds, less the deductions permitted under the provisions of this Schedule.

3. Any lump sum benefit which becomes recoverable in consequence of or following upon the death of a member of a pension fund, provident fund or retirement annuity fund shall be deemed to be a lump sum

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5. (1) The deduction to be allowed in determining the amount required to be included in the taxpayer's gross income for any year of assessment in terms of paragraph 2 shall, if the lump sum benefits in question have been derived in consequence of or following upon the taxpayer's retirement or are deemed to have accrued to him immediately prior to his death, be an amount (not exceeding the aggregate value of such lump sum benefits) equal to the greater of the following amounts,

(a) an amount determined in accordance with formula B in relation to such taxpayer, but subject to the provisions of sub-paragraph

(2); or
(b) an amount equal to the sum of the amounts which would have been allowed to be deducted in terms of paragraph (b)ter of the definition of "gross income" in section seven of the Income Tax Act, 1941, prior to its amendment by the Income Tax Act, 1961 (Act No. 80 of 1961), if such lump sum benefits had been received by or had accrued to such taxpayer on the fourteenth day of March, 1961, and had been required to be included in his gross income in terms of the said paragraph, less the aggregate of any deductions which may have been allowed to the taxpayer under this sub-paragraph or sub-paragraph (1) of paragraph 5 of the Fourth Schedule to the Income Tax Act, 1941, in respect of any years of assessment preceding the year of assessment in question.

(2) Notwithstanding anything to the contrary contained in the definition of "formula B" in paragraph 1, the amount that shall be taken into account as represented by the symbol C in that formula for the purpose of determining the amount of the deduction to be allowed in terms of item (a) of sub-paragraph (1) in the circumstances described in any of the items of this sub-paragraph shall not be less than the amount stated in the relevant item, namely stated in the relevant item, namely

(a) four thousand rand if the taxpayer is or was a member of a provident fund from which any lump sum benefit was or may be derived in consequence of or following upon his retirement on or after the fifteenth day of March, 1961;
(b) in respect of lump sum benefits deemed to have accrued immediately prior to the taxpayer's death, ten thousand rand;
(c) in respect of lump sum benefits deemed to have accrued to the taxpayer immediately prior to his death and consisting of or including benefits derived from provident funds, an amount equal to the sum of the taxpayer's own contributions to such funds including so much of the amounts paid into such funds for his benefit by other provident funds as represented his own contributions to such other funds;
(d) in respect of lump sum benefits deemed to have accrued to the taxpayer immediately prior to his death and consisting of or including lump sum benefits derived from retirement annuity funds in any case in which the death has occurred before the taxpayer's retirement in relation to such funds, an amount (not exceeding the lesser of twenty thousand rand and the aggregate value of such lump sum benefits) equal to the sum of

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Act No 78 J of 19.59.	Income Tax A.et,. 19S9		Tm: whole, pt sedio11 <i>tlltw</i> .
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Act Ne,,. 80 Of 1S16t	Income Tu Act., 1961	••	The whole, except sections thirty-two and thirty-three.