REPUBLIC OF SOUTH AFRICA

TAXATION LAWS AMENDMENT BILL

(As introduced in the National Assembly (proposed section 77))
(The English text is the official text of the Bill)

(MINISTER OF FINANCE)

[B 16—2024]

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GENERAL EXPLANATORY NOTE:

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

BILL

To—

- **amend the Income Tax Act, 1962, so as to amend certain definitions; amend certain provisions; to insert new provisions; to amend certain Schedules;**
- **amend the Customs and Excise Act, 1964, so as to make provision for continuations; to amend certain Schedules;**
- **amend the Value-Added Tax Act, 1991, so as to amend certain provisions; to amend a Schedule; and to make provision for continuations;**
- **amend the Securities Transfer Tax Act, 2007, to amend certain provisions;**
- **amend the Mineral and Petroleum Resources Royalty Act, 2008, so as to amend a provision;**
- **amend the Employment Tax Incentive Act, 2013, so as to amend certain provisions;**
- **amend the Taxation Laws Amendment Act, 2013, so as to amend certain effective dates;**
- **amend the Taxation Laws Amendment Act, 2018, so as to amend certain provisions;**
- **amend the Carbon Tax Act, 2019, so as to amend certain provisions; and to amend certain Schedules;**
- **amend the Taxation Laws Amendment Act, 2021, so as to amend a certain provision; and**
- **amend the Taxation Laws Amendment Act, 2023, so as to amend certain provisions; and to provide for matters connected therewith.**

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

Amendment of section 1 of Act 58 of 1962, as amended by section 3 of Act 90 of 1962, section 1 of Act 6 of 1963, section 4 of Act 72 of 1963, section 4 of Act 90 of 1964, section 5 of Act 88 of 1965, section 5 of Act 55 of 1966, section 5 of Act 76 of 1968, section 6 of Act 89 of 1969, section 6 of Act 52 of 1970, section 4 of Act 88 of 1971, section 4 of Act 90 of 1972, section 4 of Act 65 of 1973, section 4 of Act 85 of 1974, section 4 of Act 69 of 1975, section 4 of Act 103 of 1976, section 4 of Act 113 of 1977, section 3 of Act 101 of 1978, section 3 of Act 104 of 1979, section 2 of Act 104 of 1980, section 2 of Act 96 of 1981, section 3 of Act 91 of 1982, section 2 of Act 94 of 1983, section 1 of Act 30 of 1984, section 2 of Act 121 of 1984, section 2 of Act 96 of 1985, section 2 of Act 65 of 1986, section 1 of Act 108 of 1986, section 2 of Act 85 of 1987, section 2 of Act 90 of 1988, section of Act 99 of 1988, Government Notice R780 of 1989, section 2 of Act 70 of 1989, section 2 of Act 101 of 1990, section 2 of Act 129 of 1991, section 2 of Act 141 of 1992, section 2 of Act 113 of 1993, section 2 of Act 21 of 1994, section 2 of Act 21 of 1995, section 2 of Act 36 of 1996, section 2

of Act 28 of 1997, section 19 of Act 30 of 1998, Government Notice 1503 of 1998, section 10 of Act 53 of 1999, section 13 of Act 30 of 2000, section 2 of Act 59 of 2000, section 5 of Act 5 of 2001, section 3 of Act 19 of 2001, section 17 of Act 60 of 2001, section 9 of Act 30 of 2002, section 6 of Act 74 of 2002, section 33 of Act 12 of 2003, section 12 of Act 45 of 2003, section 3 of Act 16 of 2004, section 3 of Act 32 of 2004, section 3 of Act 32 of 2005, section 19 of Act 9 of 2006, section 3 of Act 20 of 2006, section 3 of Act 8 of 2007, section 5 of Act 35 of 2007, section 2 of Act 3 of 2008, section 4 of Act 60 of 2008, section 7 of Act 17 of 2009, section 6 of Act 7 of 2010, section 7 of Act 24 of 2011, section 271 of Act 28 of 2011 read with item 23 of Schedule 1 to that Act, section 2 of Act 22 of 2012, section 4 of Act 31 of 2013, section 1 of Act 43 of 2014, section 3 of Act 25 of 2015, section 5 of Act 15 of 2016, section 2 of Act 17 of 2017, section 1 of Act 23 of 2018, section 34 of Act 34 of 2019, section 2 of Act 23 of 2020, section 4 of Act 20 of 2021, section 1 of Act 20 of 2022, section 1 of Act 17 of 2023, section 1 of Act 12 of 2024 and section 1 of Revenue Laws Amendment Act of 2024

1. (1) Section 1(1) of the Income Tax Act, 1962, is hereby amended—

(a) by the insertion after the definition of ''Banks Act'' of the following definition:

'' '**battery electric vehicle**' means any fully electric vehicle powered by rechargeable batteries;'';

(b) by the substitution in paragraph *(e)* of the definition of ''company'' for subparagraph (ii) of the following subparagraph:

''(ii) portfolio comprised in any investment scheme carried on outside the Republic that is comparable to a portfolio of a collective investment scheme in participation bonds **[or]**, a portfolio of a collective investment scheme in securities or a portfolio of a hedge fund collective investment scheme in pursuance of any arrangement in terms of which members of the public (as defined in section 1 of the Collective Investment Schemes Control Act) are invited or permitted to contribute to and hold participatory interests in that portfolio through shares, units or any other form of participatory interest; or'';

(c) by the substitution in paragraph *(c)* of the definition of ''connected person'' for subparagraph (ii) of the following subparagraph:

''(ii) any connected person in relation to any member of such partnership or foreign partnership, other than a member who is a qualifying investor in such partnership or foreign partnership;'';

(d) by the substitution in paragraph *(d)*(vi)*(cc)* of the definition of ''connected person'' for subitems (i) and (ii) of the following subitems, respectively:

''**[(i)]**(A) any member contemplated in item *(aa)*; or

[(ii)](B) the relative or trust contemplated in item *(bb)*; and'';

(e) by the insertion after the definition of ''hotel keeper'' of the following definition:

'' '**hydrogen-powered vehicle**' means any vehicle powered by hydrogen fuel cells;'';

(f) by the substitution for the definition of ''REIT'' of the following definition:

'' **'REIT'** means a company that is a resident—

(a) **[that is a resident; and**

***(b)*]** the equity shares of which are listed—

(i) on an exchange (as defined in section 1 of the Financial Markets Act and licensed under section 9 of that Act); and

(ii) as shares in a REIT as defined in the listing requirements of that exchange approved in consultation with the Director-General of the National Treasury and published, after approval of those listing requirements by the Director-General of the National Treasury, by the appropriate authority, as contemplated in section 1 of the Financial Markets Act, in terms of section 11 of that Act or by the Financial Sector Conduct Authority; or

(b) where that company meets the requirements and conditions set by the Minister of Finance by notice in the *Gazette*;'';

(g) by the substitution in the proviso to the definition of ''remuneration proxy'' for paragraphs *(a)* and *(b)*, respectively, of the following paragraphs:

''*(a)* where during a portion of such preceding year the employee was not in the employment of the employer or of any associated institution, as defined in paragraph 1 of the Seventh Schedule, in relation to the employer, the remuneration proxy as respects that employee must be deemed to be an amount which bears to the amount of the employee's remuneration for the portion of such preceding year during which the employee was in such employment the same ratio as the period of 365 days bears to the number of days in such last-mentioned portion;

(b) where during the whole of such preceding year, the employee was not in the employment of the employer or of any associated institution, as defined in paragraph 1 of the Seventh Schedule, in relation to the employer, the remuneration proxy as respects that employee must be deemed to be an amount which bears to the employee's remuneration during the first month during which the employee was in the employment of the employer the same ratio as 365 days bears to the number of days during which the employee was in such employment;'';

(h) by the substitution in paragraph *(b)*(ii) of the proviso to the definition of ''retirement annuity fund'' for the words preceding the proviso of the following words:

''that not more than one-third of the member's interest in the vested component may be commuted for a single payment, and that the remainder, calculated together with the total value of the member's share standing to the credit of the retirement component, must be paid in the form of an annuity (including a living annuity), a combination of annuities (including a combination of methods of paying the annuity) or a combination of types of annuities except where two-thirds of the total value of the member's interest in the vested component plus the member's interest in the retirement component does not exceed R165 000, or where the member is deceased or where the member elects to transfer the vested component to a retirement annuity fund or where a member of this retirement annuity fund elects to have a lump sum benefit contemplated in paragraph 2(1)*(c)* of the Second Schedule transferred to another retirement annuity fund and who made the election while being a member of this retirement annuity fund:'';

(i) by the insertion after subparagraph (v) of paragraph *(b)* of the proviso to the definition of ''retirement annuity fund'' of the following subparagraph:

''(vA) that a former member of another retirement annuity fund may elect to have a lump sum benefit contemplated in paragraph 2(1)*(c)* of the Second Schedule transferred to this retirement annuity fund if the member made the election while being a member of that other retirement annuity fund;'';

(j) by the substitution in paragraph *(b)*(x) of the proviso to the definition of ''retirement annuity fund'' for item *(cc)* of the following item:

''*(cc)* the payment of a lump sum benefit contemplated in paragraph 2(1)*(b)*(ii) of the Second Schedule where **[that]** the member's interest in the **[fund]** vested component together with the member's interest in the retirement component is less than an amount determined by the Minister by notice in the *Gazette*; or''; and

(k) by the substitution for the definition of ''trust'' of the following definition:

'' **'trust'** means any trust fund consisting of cash or other assets which are administered and controlled by a person acting in a fiduciary capacity, where such person is appointed under a deed of trust or by agreement or under the will of a deceased person, and includes a portfolio of a collective investment scheme and a portfolio of a hedge fund collective investment scheme;''.

(2) Paragraph *(c)* of subsection (1) comes into operation on 1 January 2025 and applies in respect of years of assessment commencing on or after that date.

(3) Paragraph *(f)* of subsection (1) comes into operation with effect from a date determined by the Minister of Finance by notice in the *Gazette*.

(4) Paragraphs *(g)*, *(h)*, *(i)* and *(j)* of subsection (1) come into effect on 1 March 2025 and apply in respect of years of assessment commencing on or after that date.

(5) Paragraphs *(a)* and *(e)* of subsection (1) come into operation on 1 March 2026 and apply in respect of assets brought into use on or after that date.

Amendment of section 6*quat* of Act 58 of 1962, as inserted by section 9 of Act 89 of 1969, repealed by section 5 of Act 94 of 1983, inserted by section 5 of Act 85 of 1987 and amended by section 5 of Act 28 of 1997, section 12 of Act 53 of 1999, section 16 of Act 30 of 2000, section 4 of Act 59 of 2000, section 8 of Act 5 of 2001, section 20 of Act 60 of 2001, section 8 of Act 5 of 2001, sections 9 and 125 of Act 74 of 2002, section 16 of Act 45 of 2003, section 4 of Act 32 of 2004, section 8 of Act 31 of 2005, section 7 of Act 35 of 2007, section 9 of Act 17 of 2009, section 7 of Act 18 of 2009, section 11 of Act 24 of 2011, section 271 of Act 28 of 2011 read with paragraph 29 of Schedule 1, section 3 of Act 22 of 2012, section 3 of Act 39 of 2013, section 6 of Act 25 of 2015, section 10 of Act 15 of 2016, section 4 of Act 17 of 2017, section 7 of Act 23 of 2018 and section 2 of Act 18 of 2023

2. (1) Section 6*quat* of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (1A) for paragraph (ii) of the proviso of the following paragraph:

"(ii) for the purposes of this subsection, the amount so included in such resident's taxable income must be determined—

(aa) without regard to section 10B(3); and

(bb) by replacing the percentages in paragraph 10(1)*(a)*, *(b)*(i), (iii) and (iv), and *(c)* of the Eighth Schedule by 100 per cent.";

(b) by the substitution for paragraph (iB) of the proviso to subsection (1B)*(a)* of the following paragraph:

"the taxes contemplated in subsection (1A)*(a)*(iii) **[which]** that are attributable to any taxable capital gain **[in respect of an asset which is not attributable to a permanent establishment of the resident outside the Republic,]** must in aggregate be limited to the amount of normal tax **[which]** that is attributable to that taxable capital gain;"; and

(c) by the substitution for subsection (4) of the following subsection:

"(4) For the purpose of this section the amount of any foreign tax proved to be payable as contemplated in—

(a) subsection (1A)*(a)* or *(f)* or any amount paid or proved to be payable as contemplated in subsection (1C) in respect of any amount which is included in the taxable income of any resident during any year of assessment, shall be translated to the currency of the Republic on the last day of that year of assessment by applying the average exchange rate for that year of assessment**[.]**; or

(b) subsection (1A)*(b)* in respect of any amount which is included in the taxable income of any resident during any year of assessment, shall be translated to the currency of the Republic on the last day of the foreign tax year of the controlled foreign company in respect of which the proportional amount referred to in that subsection is determined, by applying the average exchange rate for that foreign tax year.".

(2) Paragraphs *(a)* and *(b)* of subsection (1) come into operation on 1 January 2025 and apply in respect of years of assessment commencing on or after that date.

(3) Paragraph *(c)* of subsection (1) comes into operation on 31 December 2024 and applies in respect of foreign tax years of controlled foreign companies ending on or after that date.

Amendment of section 7 of Act 58 of 1962, as amended by section 5 of Act 90 of 1962, section 8 of Act 88 of 1965, section 5 of Act 55 of 1966, section 7 of Act 94 of 1983, section 2 of Act 30 of 1984, section 5 of Act 90 of 1988, section 5 of Act 70 of 1989, section 4 of Act 101 of 1990, section 7 of Act 129 of 1991, section 5 of Act 141 of 1992, section 6 of Act 21 of 1995, section 23 of Act 30 of 1998, section 13 of Act 53 of 1999, section 5 of Act 59 of 2000, section 10 of Act 74 of 2002, section 17 of Act 45 of 2003, section 5 of Act 32 of 2004, section 9 of Act 31 of 2005, section 8 of Act 35 of 2007, section 4 of Act 3 of 2008, section 8 of Act 60 of 2008, section 10 of Act 17

of 2009, section 15 of Act 24 of 2011, section 8 of Act 31 of 2013 and section 4 of Act 43 of 2014

3. (1) Section 7 of the Income Tax Act, 1962, is hereby amended by the substitution for subsection (11) of the following subsection:

''(11) Any amount received by or accrued to any person by way of deduction from the minimum individual reserve of any other person in terms of—

(a) section 37D(1)*(d)*(iA) of the Pension Funds Act; **[or]**

*(a*A*)* section 37D(1)*(d)*(iB) of the Pension Funds Act; or

(b) section 37D(1)*(e)* of the Pension Funds Act to the extent that the deduction is a result of a deduction contemplated in paragraph *(a)* or *(a*A*)*,

shall be deemed, for the purposes of this Act, to be income accrued to that other person on the date of the deduction.''.

(2) Subsection (1) is deemed to have come into operation on 1 September 2024.

Amendment of section 7C of Act 58 of 1962, as inserted by section 12 of Act 15 of 2016 and amended by section 5 of Act 17 of 2017, section 9 of Act 23 of 2018, section 4 of Act 34 of 2019, section 3 of Act 23 of 2020, section 5 of Act 20 of 2021, section 3 of Act 20 of 2022 and section 3 of Act 17 of 2023

4. (1) Section 7C of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (3) for the words following paragraph *(b)* of the following words:

''an amount equal to the difference between the amount incurred by that trust or company during a year of assessment as interest in respect of that loan, advance or credit and the amount that would have been incurred by that trust or company at the official rate of interest must, for purposes of Part V of Chapter II, be treated as a donation made to that trust or company by the person referred to in subsection (1)*(a)*, (1A), or (B) on the last day of that year of assessment of that trust or company.''; and

(b) by the substitution in subsection (5) for paragraph *(e)* of the following paragraph:

''*(e)* that loan, advance or credit constitutes an affected transaction as defined in section 31(1) **[that is subject to the provisions of that section]** to the extent of an adjustment made in terms of section 31(2);''.

(2) Subsection (1) comes into operation on 1 January 2025 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 8 of Act 58 of 1962, as amended by section 6 of Act 90 of 1962, section 6 of Act 90 of 1964, section 9 of Act 88 of 1965, section 10 of Act 55 of 1966, section 10 of Act 89 of 1969, section 6 of Act 90 of 1972, section 8 of Act 85 of 1974, section 7 of Act 69 of 1975, section 7 of Act 113 of 1977, section 8 of Act 94 of 1983, section 5 of Act 121 of 1984, section 4 of Act 96 of 1985, section 5 of Act 65 of 1986, section 6 of Act 85 of 1987, section 6 of Act 90 of 1988, section 5 of Act 101 of 1990, section 9 of Act 129 of 1991, section 6 of Act 141 of 1992, section 4 of Act 113 of 1993, section 6 of Act 21 of 1994, section 8 of Act 21 of 1995, section 6 of Act 36 of 1996, section 6 of Act 28 of 1997, section 24 of Act 30 of 1998, section 14 of Act 53 of 1999, section 17 of Act 30 of 2000, section 6 of Act 59 of 2000, section 7 of Act 19 of 2001, section 21 of Act 60 of 2001, section 12 of Act 30 of 2002, section 11 of Act 74 of 2002, section 18 of Act 45 of 2003, section 6 of Act 32 of 2004, section 4 of Act 9 of 2005, section 21 of Act 9 of 2006, section 5 of Act 20 of 2006, section 6 of Act 8 of 2007, section 9 of Act 35 of 2007, sections 1 and 5 of Act 3 of 2008, section 9 of Act 60 of 2008, section 11 of Act 17 of 2009, section 10 of Act 7 of 2010, section 16 of Act 24 of 2011, section 271 of Act 28 of 2011 read with item 30 of Schedule 1 to that Act, section 9 of Act 22 of 2012, section 9 of Act 31 of 2013, section 5 of Act 42 of 2014, section 5 of Act 43 of 2014, section 8 of Act 25 of 2015, section 6 of Act 14 of 2017, section 5 of Act 22 of 2020 and section 5 of Act 19 of 2023

5. (1) Section 8 of the Income Tax Act, 1962, is hereby amended by the insertion in subsection (4) after paragraph *(n*A*)* of the following paragraphs:

''*(n*B*)* Where a taxpayer disposes of an asset contemplated in section 12V before the expiration of five years from the date on which that asset was brought into use, there shall be included in the taxpayer's income 50 per cent of the cost of that asset, which has been recouped during the current year of assessment, in addition to the inclusion of amounts in terms of paragraph *(a)*, but limited to the total amount allowed to be deducted in respect of that asset.

*(n*C*)* Where an asset contemplated in section 12V is no longer used mainly in the production of battery electric or hydrogen-powered vehicles in the Republic, before the expiration of five years from the date on which that asset was brought into use, there shall be included in the taxpayer's income 50 per cent of the cost of that asset allowed as a deduction under section 12V in respect of that asset, whether in the current or any previous year of assessment.''.

(2) Subsection (1) comes into operation on 1 March 2026 and applies in respect of assets brought into use on or after that date.

Amendment of section 8EA of Act 58 of 1962, as inserted by section 12 of Act 22 of 2012 and amended by section 11 of Act 31 of 2013, section 7 of Act 43 of 2014, section 15 of Act 15 of 2016, section 10 of Act 17 of 2017, section 13 of Act 23 of 2018, section 9 of Act 24 of 2019 and section 5 of Act 17 of 2023

6. (1) Section 8EA of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (1) for the definition of ''third-party backed share'' of the following definition:

'' **'third-party backed share'** means any preference share or equity instrument in respect of which an enforcement right is exercisable by the holder of that preference share or equity instrument or any person that is a connected person in relation to that holder as a result of any amount of any specified dividend, foreign dividend, return of capital or foreign return of capital attributable to that share or equity instrument not being received by or accruing to any person entitled thereto**[;]**.'';

(b) by the substitution in the proviso to subsection (3) for paragraph *(a)* of the following paragraph:

''*(a)* that equity share in the operating company was disposed of and the funds derived from that disposal are used by the issuer of the preference share for the redemption of that preference share and the settlement of an amount of dividends or foreign dividends, if any, in respect of that preference share, within 90 days of that disposal; or''; and

(c) by the substitution in the proviso to subsection (3) for paragraph *(b)* of the following paragraph:

''*(b)* that equity share in the operating company was a listed share and substituted for a listed share in terms of an arrangement that is announced and released as a corporate action as contemplated in the JSE Limited Listings Requirements in the SENS (Stock Exchange News Service) as defined in the JSE Limited Listings Requirements or a corporate action as contemplated in the listings requirements of any other exchange, licensed under the Financial Markets Act, that are substantially the same as the requirements prescribed by the JSE Limited Listings Requirements, where that corporate action complies with the applicable requirements of that exchange or a corporate action contemplated in the listings requirements of an exchange, in a country other than the Republic, contemplated in paragraph *(c)* of the definition of 'recognised exchange' in paragraph 1 of the Eighth Schedule.''.

(2) Paragraphs *(a)* and *(c)* of subsection (1) come into operation on 1 January 2025 and apply in respect of dividends or foreign dividends received or accrued during years of assessment commencing on or after that date.

(3) Paragraph *(b)* of subsection (1) is deemed to have come into operation on 1 January 2024 and applies in respect of the settlement of an amount of dividends or foreign dividends in respect of that preference share, during years of assessment commencing on or after that date.

Amendment of section 9D of Act 58 of 1962, as inserted by section 9 of Act 28 of 1997 and amended by section 28 of Act 30 of 1998, section 17 of Act 53 of 1999, section 19 of Act 30 of 2000, section 10 of Act 59 of 2000, section 9 of Act 5 of 2001, section 22 of Act 60 of 2001, section 14 of Act 74 of 2002, section 22 of Act 45 of 2003, section 13 of Act 32 of 2004, section 14 of Act 31 of 2005, section 9 of Act 20 of 2006, sections 9 and 96 of Act 8 of 2007, section 15 of Act 35 of 2007, section 8 of Act 3 of 2008, section 13 of Act 60 of 2008, section 12 of Act 17 of 2009, sections 16 and 146 of Act 7 of 2010, section 25 of Act 24 of 2011, sections 14 and 156 of Act 22 of 2012, section 19 of Act 31 of 2013, section 12 of Act 43 of 2014, section 13 of Act 25 of 2015, section 20 of Act 15 of 2016, section 15 of Act 17 of 2017, section 18 of Act 23 of 2018, section 10 of Act 34 of 2019, section 6 of Act 23 of 2020, section 10 of Act 20 of 2021, section 4 of Act 20 of 2022 and section 7 of Act 17 of 2023

7. (1) Section 9D of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution for paragraph *(k)* of the proviso to subsection (2A) of the following paragraph:

"*(k)* for the purposes of section 24I and paragraph 43 of the Eighth Schedule, **'local currency'** of a controlled foreign company otherwise than in relation to a permanent establishment of that controlled foreign company, means the functional currency of that company: Provided that where the functional currency is the currency of a country which has an official rate of inflation of 100 per cent or more for that foreign tax year, the '**local currency'** means the currency of the Republic; and";

(b) by the substitution in subsection (6) for the proviso of the following proviso:

": Provided that any exchange item denominated in any currency other than the functional currency of that controlled foreign company shall be deemed not to be **[attributable]** effectively connected to any permanent establishment of the controlled foreign company if the functional currency is the currency of a country which has an official rate of inflation of 100 per cent or more for that foreign tax year."; and

(c) by the substitution in subsection (9) for paragraph *(f*B*)* of the following paragraph:

"*(f*B*)* is attributable to the disposal of any asset, as defined in the Eighth Schedule, (other than any financial instrument or intangible asset as defined in paragraph 16 of the Eighth Schedule), where that asset was **[attributable]** effectively connected to any foreign business establishment of any other controlled foreign company, where that company and that other controlled foreign company form part of the same group of companies**[;]**.".

(2) Paragraph *(a)* of subsection (1) comes into operation on 31 December 2024 and applies in respect of foreign tax years of controlled foreign companies ending on or after that date.

Amendment of section 9H of Act 58 of 1962, as substituted by section 17 of Act 22 of 2012 and amended by section 21 of Act 31 of 2013, section 13 of Act 43 of 2014, section 21 of Act 15 of 2016, section 7 of Act 23 of 2020, section 11 of Act 20 of 2021 and section 8 of Act 17 of 2023

8. Section 9H of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (4) for paragraphs *(e)* and *(f)*, respectively, of the following paragraphs:

"*(e)* any equity instrument contemplated in section 8C that had not yet vested as contemplated in that section at the time that the person ceases to be a resident as contemplated in subsection (2) or (3); **[or]**

(f) any right of that person to acquire any marketable security contemplated in section 8A**[.]**; or"; and

(b) by the addition in subsection (4) after paragraph *(f)* of the following paragraph:

"*(g)* any amount representing the value of the interest in any pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund.".

Amendment of section 11 of Act 58 of 1962, as amended by section 9 of Act 90 of 1962, section 8 of Act 72 of 1963, section 9 of Act 90 of 1964, section 11 of Act 88 of 1965, section 12 of Act 55 of 1966, section 11 of Act 95 of 1967, section 9 of Act 76 of 1968, section 14 of Act 89 of 1969, section 10 of Act 52 of 1970, section 10 of Act 88 of 1971, section 8 of Act 90 of 1972, section 9 of Act 65 of 1973, section 12 of Act 85 of 1974, section 9 of Act 69 of 1975, section 9 of Act 113 of 1977, section 5 of Act 101 of 1978, section 8 of Act 104 of 1979, section 8 of Act 104 of 1980, section 9 of Act 96 of 1981, section 7 of Act 91 of 1982, section 10 of Act 94 of 1983, section 11 of Act 121 of 1984, section 46 of Act 97 of 1986, section 10 of Act 85 of 1987, section 8 of Act 90 of 1988, section 8 of Act 70 of 1989, section 11 of Act 101 of 1990, section 13 of Act 129 of 1991, section 11 of Act 141 of 1992, section 9 of Act 113 of 1993, section 5 of Act 140 of 1993, section 10 of Act 21 of 1994, section 12 of Act 21 of 1995, section 9 of Act 36 of 1996, section 12 of Act 28 of 1997, section 30 of Act 30 of 1998, section 20 of Act 53 of 1999, section 22 of Act 30 of 2000, section 15 of Act 59 of 2000, section 10 of Act 19 of 2001, section 27 of Act 60 of 2001, section 14 of Act 30 of 2002, section 19 of Act 74 of 2002, section 27 of Act 45 of 2003, section 9 of Act 16 of 2004, section 16 of Act 32 of 2004, section 6 of Act 9 of 2005, section 18 of Act 31 of 2005, section 11 of Act 20 of 2006, section 11 of Act 8 of 2007, section 17 of Act 35 of 2007, sections 1 and 10 of Act 3 of 2008, section 18 of Act 60 of 2008, section 14 of Act 17 of 2009, section 19 of Act 7 of 2010, sections 30 and 161 of Act 24 of 2011, section 271 of Act 28 of 2011, read with item 33 of Schedule 1 to that Act, section 22 of Act 22 of 2012, section 27 of Act 31 of 2013, section 17 of Act 43 of 2014, section 18 of Act 25 of 2015, section 26 of Act 15 of 2016, section 19 of Act 17 of 2017, section 25 of Act 23 of 2018, section 15 of Act 34 of 2019, section 13 of Act 23 of 2020, section 8 of Act 20 of 2022 and section 11 of Act 17 of 2023

9. (1) Section 11 of the Income Tax Act, 1962, is hereby amended by the substitution for paragraph *(n*A*)* of the following paragraph:

''*(n*A*)* so much of any amount, including any voluntary award, received or accrued in respect of services rendered or to be rendered or any amount received or accrued in respect of or by virtue of any employment or the holding of any office as was or is included in the taxable income of that person and is refunded by that person;''.

(2) Subsection (1) comes into operation on 1 March 2025 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 12C of Act 58 of 1962, as inserted by section 14 of Act 101 of 1990 and amended by section 11 of Act 113 of 1993, section 7 of Act 140 of 1993, section 11 of Act 21 of 1994, section 13 of Act 21 of 1995, section 10 of Act 46 of 1996, section 18 of Act 59 of 2000, section 11 of Act 19 of 2001, section 15 of Act 30 of 2002, section 30 of Act 45 of 2003, section 8 of Act 9 of 2005, section 20 of Act 31 of 2005, section 14 of Act 8 of 2007, section 22 of Act 35 of 2007, section 20 of Act 60 of 2008, section 19 of Act 17 of 2009, section 33 of Act 24 of 2011, section 24 of Act 22 of 2012, section 32 of Act 31 of 2013, section 20 of Act 25 of 2015, section 23 of Act 17 of 2017, section 27 of Act 23 of 2018 and section 14 of Act 23 of 2020

10. (1) Section 12C of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (3) for paragraphs *(d)* and *(e)*, respectively, of the following paragraphs:

''*(d)* any asset in respect of which an allowance has been granted to the taxpayer under section 12E; **[or]**

(e) any asset the ownership of which is retained by the taxpayer as a seller in terms of an agreement contemplated in paragraph (a) of the definition of ''instalment credit agreement'' in section 1 of the Value-Added Tax Act**[.]**; or''; and

(b) by the addition in subsection (3) after paragraph *(e)* of the following paragraph:

''*(f)* any asset in respect of which a deduction has been granted to the taxpayer under section 12V.''.

(2) Subsection (1) comes into operation on 1 March 2026 and applies in respect of assets brought into use on or after that date.

Amendment of section 12E of Act 58 of 1962, as inserted by section 12 of Act 19 of 2001 and amended by section 17 of Act 30 of 2002, section 21 of Act 74 of 2002, section 37 of Act 12 of 2003, section 31 of Act 45 of 2003, section 9 of Act 9 of 2005, section 21 of Act 31 of 2005, section 24 of Act 9 of 2006, section 14 of Act 20 of 2006, section 15 of Act 8 of 2007, section 25 of Act 35 of 2007, section 13 of Act 3 of 2008, section 23 of Act 60 of 2008, section 21 of Act 17 of 2009, section 23 of Act 7 of 2010, section 34 of Act 24 of 2011, section 25 of Act 22 of 2012, section 7 of Act 23 of 2013, section 35 of Act 31 of 2013, section 20 of Act 43 of 2014, section 21 of Act 25 of 2015, section 29 of Act 15 of 2016, section 26 of Act 17 of 2017 and section 17 of Act 17 of 2023

11. (1) Section 12E of the Income Tax Act, 1962, is hereby amended by the substitution for subsection (3B) of the following subsection:

''(3B) No deduction shall be allowed under this section in respect of any asset in respect of which **[an allowance]** a deduction has been granted to the taxpayer under section 12BA.''.

(2) Subsection (1) is deemed to have come into operation on 1 March 2023 and applies in respect of assets brought into use on or after that date.

Insertion of section 12V into Act 58 of 1962

12. (1) The Income Tax Act, 1962, is hereby amended by the insertion after section 12U of the following section:

''**Deduction in respect of production of battery electric and hydrogen-powered vehicles**

12V. (1) There must be allowed to be deducted by a person that is a motor vehicle manufacturer an amount equal to 150 per cent of the cost of any—

(a) building (including improvements to a building);

(b) new and unused machinery, plant, implement, utensil or article; or

(c) improvement to any machinery, plant, implement, utensil or article,

acquired as a purchaser in terms of an agreement contemplated in paragraph *(a)* of the definition of 'instalment credit agreement' in section 1 of the Value-Added Tax Act or owned by the taxpayer and used mainly in the production of battery electric or hydrogen-powered vehicles in the Republic: Provided that where any machinery, plant, implement, utensil, article or improvement qualifying for a deduction under this section is mounted or affixed to any concrete or other foundation or supporting structure and—

(a) the foundation or supporting structure is designed for such machinery, plant, implement, utensil, article or improvement and constructed in such manner that it is or should be regarded as being integrated with the machinery, plant, implement, utensil, article or improvement; and

(b) the useful life of the foundation or supporting structure is or will be limited to the useful life of the machinery, plant, implement, utensil, article or improvement mounted thereon or affixed thereto,

the foundation or supporting structure shall be deemed to be part of the machinery, plant, implement, utensil, article or improvement mounted thereon or affixed thereto.

(2) For the purposes of the deduction under subsection (1), an asset in paragraph *(a)* or *(b)* must be brought into use on or after 1 March 2026 and before 1 March 2036.

(3) For the purposes of this section, the cost to a taxpayer of any asset is deemed to be the lesser of the actual cost to the taxpayer or the cost which a person would, if the person had acquired that asset under a cash transaction concluded at arm's length on the date on which the transaction for the acquisition was concluded, have incurred in respect of the direct cost of the acquisition of the asset.

(4) No deduction shall be allowed under this section in respect of any asset the ownership of which is retained by the taxpayer as a seller in terms of an agreement contemplated in paragraph *(a)* of the definition of 'instalment credit agreement' in section 1 of the Value-Added Tax Act.''.

(2) Subsection (1) comes into operation on 1 March 2026 and applies in respect of assets brought into use on or after that date.

Amendment of section 13 of Act 58 of 1962, as amended by section 12 of Act 90 of 1962, section 5 of Act 6 of 1963, section 11 of Act 72 of 1963, section 12 of Act 90 of 1964, section 14 of Act 88 of 1965, section 17 of Act 55 of 1966, section 13 of Act 52 of 1970, section 13 of Act 88 of 1971, section 12 of Act 90 of 1972, section 13 of Act 65 of 1973, section 16 of Act 85 of 1974, section 13 of Act 69 of 1975, section 7 of Act 101 of 1978, section 10 of Act 104 of 1980, section 14 of Act 96 of 1981, section 10 of Act 96 of 1985, section 12 of Act 85 of 1987, section 12 of Act 90 of 1988, section 12 of Act 113 of 1993, section 11 of Act 46 of 1996, section 22 of Act 53 of 1999, section 20 of Act 59 of 2000, section 13 of Act 19 of 2001, section 30 of Act 60 of 2001, section 3 of Act 4 of 2008, section 30 of Act 7 of 2010, section 40 of Act 24 of 2011, section 45 of Act 31 of 2013, section 30 of Act 25 of 2015 and section 37 of Act 15 of 2016

13. Section 13 of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution for the heading of the following heading:

"**Deductions in respect of buildings used in [a] process of manufacture <u>or research and development</u>**";

(b) by the substitution in subsection (1) for the words preceding paragraph *(b)* of the following words:

"Notwithstanding anything to the contrary contained in paragraph (ii) of the proviso to section 11*(e)*, there shall be allowed to be deducted from the income of the taxpayer an allowance equal to two per cent of the cost (after the deduction of any amount referred to in subsection (3) **[or (7)]** or the corresponding provisions of any previous Income Tax Act) to the taxpayer of—";

(c) by the substitution in subsection (1) for paragraphs *(b)* and *(d)*, respectively, of the following paragraphs:

"*(b)* any building the erection of which was commenced by the taxpayer on or after the fifteenth day of March, 1961, if such building was wholly or mainly used by the taxpayer during the year of assessment for the purpose of carrying on therein in the course of his trade (other than mining or farming) any process of manufacture, research and development or any other process which is of a similar nature, or such building was let by the taxpayer and was wholly or mainly used by a tenant or subtenant for the purpose of carrying on therein any process as aforesaid in the course of any trade (other than mining or farming); **[or]**

(d) any building the erection of which was commenced on or after the fifteenth day of March, 1961, if such building has been acquired by the taxpayer by purchase from any other person who was entitled to an allowance in respect thereof under paragraph *(b)* or this paragraph or the corresponding provisions of any previous Income Tax Act, and such building was wholly or mainly used during the year of assessment by the taxpayer for the purpose of carrying on therein in the course of his trade (other than mining or farming) a process of manufacture, research and development or any other process which is of a similar nature, or such building was let by the taxpayer and was wholly or mainly used by a tenant or subtenant for the purpose of carrying on therein in the course of any trade (other than mining or farming) any process as aforesaid; **[or]**";

(d) by the deletion in subsection (1) of paragraph *(e)*;

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

"*(f)* any improvements (other than repairs) to any building, if such improvements were commenced on or after the first day of April, 1971, and such building was wholly or mainly used by the taxpayer during the year of assessment for the purpose of carrying on therein in the course of his trade (other than mining or farming) any process of manufacture, <u>research and development</u> or any other process which is of a similar nature, or such building was let by the taxpayer and was wholly or mainly used by a tenant or subtenant for the

purpose of carrying on therein any process as aforesaid in the course of any trade (other than mining or farming):'';

(f) by the substitution in subsection (1) for paragraph *(b)* of the proviso of the following paragraph:

''*(b)* in the case of any such building the erection of which has or is commenced on or after 1 January 1989 and any such improvements which have or are commenced on or after that date**[, other than any building or improvements in respect of which the increased allowance contemplated in paragraph *(c)* of this proviso applies,]** the allowance under this subsection shall be increased to 5 per cent of the cost (after the deduction of any amount as provided in subsection (3)) to the taxpayer of such building or improvements; and'';

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

''(2) The aggregate of the allowances allowed under subsection (1) or the corresponding provisions of any previous Income Tax Act, or deemed to have been allowed in terms of subsection (1A), in respect of any building or improvements shall not exceed the cost (after the deduction of any amount referred to in subsection (3) or the corresponding provisions of any previous Income Tax Act) of such building or improvements, as the case may be, less the aggregate of any allowances made to the taxpayer in respect of such building or improvements, as the case may be, under **[subsection (7) or]** section 11*(g)* or the corresponding provisions of any previous Income Tax Act.''; and

(h) by the insertion after subsection (2) of the following subsection:

''(2A) No deduction shall be allowed under this section in respect of any asset in respect of which a deduction has been granted to the taxpayer under section 12V.''.

(2) Paragraph *(h)* of subsection (1) comes into operation on 1 March 2026 and applies in respect of buildings or improvements brought into use on or after that date.

Amendment of section 13*bis* of Act 58 of 1962, as inserted by section 15 of Act 88 of 1965 and amended by section 18 of Act 55 of 1966, section 14 of Act 95 of 1967, section 14 of Act 88 of 1971, section 14 of Act 69 of 1975, section 13 of Act 94 of 1983, section 46 of Act 97 of 1986, section 13 of Act 90 of 1988, section 13 of Act 113 of 1993, section 12 of Act 21 of 1994, section 21 of Act 59 of 2000, section 4 of Act 4 of 2008, section 31 of Act 7 of 2010, section 31 of Act 25 of 2015, section 33 of Act 23 of 2018 and section 21 of Act 34 of 2019

14. Section 13*bis* of the Income Tax Act, 1962, is hereby amended by the deletion of subsections (2), (3), (4) and (9).

Amendment of section 13*quat* of Act 58 of 1962, as inserted by section 33 of Act 45 of 2003 and amended by section 12 of Act 16 of 2004, section 19 of Act 32 of 2004, section 23 of Act 31 of 2005, section 16 of Act 8 of 2007, section 5 of Act 4 of 2008, section 29 of Act 60 of 2008, sections 29 and 106 of Act 17 of 2009, section 33 of Act 7 of 2010, section 41 of Act 24 of 2011, section 34 of Act 22 of 2012, section 48 of Act 31 of 2013, section 32 of Act 25 of 2015, section 38 of Act 15 of 2016, section 34 of Act 23 of 2018, section 20 of Act 23 of 2020, section 16 of Act 20 of 2021 and section 21 of Act 17 of 2023

15. (1) Section 13*quat* of the Income Tax Act, 1962, is hereby amended

(a) by the substitution in subsection (5) for paragraphs *(b)* and *(c)*, respectively, of the following paragraphs:

''*(b)* which has been disposed of by the taxpayer during any previous year of assessment; **[or]**

(c) which is brought into use by the taxpayer after 31 March 2025**[.]**; or''; and

(b) by the addition in subsection (5) after paragraph *(c)* of the following paragraph:

''*(d)* in respect of which a deduction has been granted to the taxpayer under section 12V.''.

(2) Subsection (1) comes into operation on 1 March 2026 and applies in respect of any building, part thereof or improvement that is brought into use on or after that date.

Amendment of section 20 of Act 58 of 1962, as amended by section 13 of Act 90 of 1964, section 18 of Act 88 of 1965, section 13 of Act 76 of 1968, section 18 of Act 89 of 1969, section 15 of Act 65 of 1973, section 8 of Act 101 of 1978, section 18 of Act 94 of 1983, section 19 of Act 101 of 1990, section 16 of Act 113 of 1993, section 17 of Act 21 of 1995, section 15 of Act 28 of 1997, section 26 of Act 30 of 2000, section 27 of Act 59 of 2000, section 23 of Act 74 of 2002, section 35 of Act 45 of 2003, section 19 of Act 8 of 2007, section 32 of Act 35 of 2007, section 15 of Act 3 of 2008, section 35 of Act 60 of 2008, section 32 of Act 17 of 2009, section 37 of Act 22 of 2012, section 54 of Act 31 of 2013, section 31 of Act 43 of 2014, section 39 of Act 15 of 2016, section 18 of Act 20 of 2021 and section 42 of Act 20 of 2022

16. (1) Section 20 of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (1)*(a)* for subparagraph (iii) of the following subparagraph:

"(iii) that is not a company, any balance of assessed loss incurred by that person in any previous year which has been carried forward from the preceding year of assessment: Provided that no person whose estate has been voluntarily or compulsorily sequestrated shall be entitled to carry forward any assessed loss incurred prior to the date of sequestration, unless the order of sequestration has been set aside, in which case the amount to be so carried forward shall be reduced by an amount which was allowed to be set off against the income of the insolvent estate of such person from the carrying on of any trade**[.]**; or"; and

(b) by the addition in subsection (1) to paragraph *(a)* of the following proviso:

": Provided that where a company has taken steps to liquidate, wind up or deregister as contemplated in section 41(4) and has not at any stage withdrawn any of those steps or done anything to invalidate any step so taken, with the result that the company will not be liquidated, wound up or deregistered, the amount of the balance of assessed loss that may be set off under subparagraph (i) or (ii) in relation to that company must not be limited to the higher of R1 million and 80 per cent of the amount of taxable income described in that subparagraph".

(2) Subsection (1) comes into operation on 31 December 2024 and applies in respect of years of assessment ending on or after that date.

Amendment of section 23 of Act 58 of 1962, as amended by section 18 of Act 65 of 1973, section 20 of Act 121 of 1984, section 23 of Act 129 of 1991, section 20 of Act 141 of 1992, section 18 of Act 113 of 1993, section 15 of Act 21 of 1994, section 28 of Act 30 of 2000, section 21 of Act 30 of 2002, section 38 of Act 45 of 2003, section 13 of Act 16 of 2004, section 28 of Act 31 of 2005, section 17 of Act 20 of 2006, section 20 of Act 8 of 2007, section 37 of Act 60 of 2008, section 41 of Act 7 of 2010, sections 47 and 162 of Act 24 of 2011, section 271 of Act 28 of 2011 read with item 38 of Schedule 1 to that Act, section 42 of Act 22 of 2012, section 56 of Act 31 of 2013, section 33 of Act 43 of 2014, section 35 of Act 17 of 2017, section 39 of Act 23 of 2018, section 24 of Act 23 of 2020 and section 11 of Act 20 of 2022

17. Section 23 of the Income Tax Act, 1962, is hereby amended by the substitution for paragraph *(d)* of the following paragraph:

"*(d)* any tax or interest imposed under this Act or any interest or penalty imposed under any other Act administered by the Commissioner;".

Amendment of section 23M of Act 58 of 1962, as inserted by section 16 of Act 31 of 2013 and amended by section 37 of Act 43 of 2014, section 41 of Act 15 of 2016, section 39 of Act 17 of 2017, section 41 of Act 23 of 2018, section 28 of Act 34 of 2019, section 19 of Act 20 of 2021, section 12 of Act 20 of 2022 and section 26 of Act 17 of 2023

18. Section 23M of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (3) for the words following paragraph *(b)* of the following words:

"reduced by so much of any amount of deductible interest incurred by the debtor in respect of debts other than debts contemplated in subsection (2) as exceeds any amount not allowed to be deducted in terms of section 23N."; and

(b) by the substitution for subsection (4) of the following subsection:

"(4) So much of any amount of interest as exceeds the amount determined in terms of subsection (3) may be carried forward to the immediately succeeding year of assessment and, subject to subsection (2), must be deemed to be an amount of interest incurred in that succeeding year of assessment in respect of a debt owed to a creditor that is not subject to tax on that interest.".

Amendment of section 23N of Act 58 of 1962, as inserted by section 63 of Act 31 of 2013 and amended by section 38 of Act 43 of 2014, section 40 of Act 25 of 2015, section 42 of Act 15 of 2016, section 40 of Act 17 of 2017 and section 42 of Act 23 of 2018

19. (1) Section 23N of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (1) in the definition of "adjusted taxable income" for the words preceding paragraph *(a)* of the following words:

"**'adjusted taxable income'** means taxable income calculated before applying this section and before setting off any balance of assessed loss that has been carried forward from the preceding year of assessment: Provided that the result of the calculation may not be less than zero—";

(b) by the deletion in subsection (1) in the definition of "adjusted taxable income" in paragraph *(b)* of subparagraph (iv);

(c) by the deletion in subsection (1) of the definition of "average repo rate";

(d) by the deletion in subsection (1) of the definition of "repo rate";

(e) by the substitution in subsection (3) in paragraph *(b)* for the words preceding subparagraph (i) of the following words:

"the highest of the amounts determined by multiplying **[the percentage determined under subsection (4)]** by 0,3 the adjusted taxable income of the acquiring company for each of the years of assessment—"; and

(f) by the deletion of subsection (4).

(2) Paragraph *(a)* of subsection (1) comes into operation on 1 January 2025 and applies in respect of years of assessment commencing on or after that date.

(3) Paragraphs *(b)* to *(f)* of subsection (1) come into operation on 1 January 2027 and apply in respect of years of assessment commencing on or after that date.

Amendment of section 24I of Act 58 of 1962, as inserted by section 21 of Act 113 of 1993 and amended by section 11 of Act 140 of 1993, section 18 of Act 21 of 1994, section 13 of Act 36 of 1996, section 18 of Act 28 of 1997, section 35 of Act 30 of 1998, section 26 of Act 53 of 1999, section 31 of Act 59 of 2000, section 36 of Act 60 of 2001, section 27 of Act 74 of 2002, section 42 of Act 45 of 2003, section 23 of Act 32 of 2004, section 33 of Act 31 of 2005, section 26 of Act 9 of 2006, section 19 of Act 20 of 2006, section 23 of Act 8 of 2007, section 40 of Act 35 of 2007, section 20 of Act 3 of 2008, section 38 of Act 17 of 2009, section 47 of Act 7 of 2010, section 52 of Act 24 of 2011, section 53 of Act 22 of 2012, section 68 of Act 31 of 2013, section 40 of Act 43 of 2014, section 44 of Act 25 of 2015, section 44 of Act 15 of 2016, section 42 of Act 17 of 2017, section 43 of Act 23 of 2018, section 30 of Act 34 of 2019 and section 27 of Act 17 of 2023

20. (1) Section 24I of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (1) in the definition of "exchange item" for paragraphs *(c)* and *(d)*, respectively, of the following paragraphs:

"*(c)* owed by or to that person in respect of a forward exchange contract; **[or]**

(d) where that person has the right or contingent obligation to buy or sell that amount in terms of a foreign currency option contract; or";

(b) by the addition in subsection (1) in the definition of "exchange item" after paragraph *(d)* of the following paragraph:

"*(e)* that constitutes a preference share as defined in section 8EA(1), in a foreign company;";

(c) by the substitution for the words in subsection (3) preceding paragraph *(a)* of the following words:

"In determining the taxable income of any person contemplated in subsection (2), other than a company that is not carrying on a trade during a year of assessment, there shall be included in or deducted from the income, as the case may be, of that person—";

(d) by the insertion after subsection (3) of the following subsection:

"(3A) In determining the taxable income of a company that is not carrying on a trade during a year of assessment and where—

(a) the aggregate amount of foreign exchange gains and premiums or like consideration received in terms of foreign currency option contracts exceeds the aggregate amount of foreign exchange losses, premiums or like consideration paid in terms of foreign currency option contracts and consideration paid in respect of foreign currency option contracts, there must, subject to subsection (10A), be included in the income of that company the net amount of the excess; or

(b) the aggregate amount of foreign exchange losses, premiums or like consideration paid in terms of foreign currency option contracts and consideration paid in respect of foreign currency option contracts exceeds the aggregate amount of foreign exchange gains and premiums or like consideration received in terms of foreign currency option contracts, the net amount of the excess is deemed to be an exchange loss of that company in the immediately succeeding year of assessment.";

(e) by the substitution in subsection (4)*(b)* for subparagraph (ii) of the following subparagraph:

"(ii) **[the amount of]** any foreign exchange loss, relating to the debt as described in paragraph (*a*) or (*b*), that is or was deducted from the income of that person or taken into account under section (3A) in the current or any previous year of assessment must be included in the income of that person.";

(f) by the substitution for subsection (6) of the following subsection:

"(6) Any inclusion in, or deduction from, income in terms of this section or any amount taken into account under subsection (3A) shall be in lieu of any deduction or inclusion which may otherwise be allowed or included under any other provision of this Act.";

(g) by the substitution for subsection (8) of the following subsection:

"(8) Any foreign exchange loss sustained in respect of a transaction entered into by a person, or any premium or other consideration paid in respect of or in terms of a foreign currency option contract entered into or acquired by a person, shall not be allowed as a deduction from such person's income under subsection (3) or taken into account under subsection (3A), if such transaction was entered into or such foreign currency option contract was entered into or acquired solely or mainly to enjoy a reduction in tax by way of a deduction from income.";

(h) by the substitution in subsection (10A) for the words in paragraph *(a)* preceding subparagraph (i) of the following words:

"Subject to paragraph *(b)*, no exchange difference arising during any year of assessment in respect of an exchange item contemplated in paragraph (*b*) of the definition of 'exchange item' shall be included in or deducted from the income of a person in terms of this section or taken into account under subsection (3A)—"; and

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

"*(b)* Where paragraph *(a)* was applied during any year of assessment to any exchange difference in respect of an exchange item and—

(i) that exchange difference was not included in nor deducted from the income of a person in that year of assessment under subsection (3) or taken into account under subsection (3A); and

(ii) during any year of assessment—

(aa) subsequent to that year of assessment, paragraph (*a*) no longer applies to that exchange difference; or

(bb) that exchange item is realised,

an amount in respect of that exchange item must be included in or deducted from the income of that person under subsection (3) or taken into account under subsection (3A) in that subsequent year of assessment or in the year of assessment during which the exchange item is realised which amount shall be determined by multiplying that exchange item by the difference between the ruling exchange rate on the last day of the year of assessment immediately preceding that subsequent year of assessment and the ruling exchange rate on transaction date, less any amount of the exchange differences included in or deducted from the income of that person in terms of this section or taken into account under subsection (3A) in respect of that exchange item for all years of assessment preceding that subsequent year of assessment during which the person was a party to the contractual provisions of the exchange item.''.

(2) Subsection (1) comes into operation on 1 January 2025 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 24JB of Act 58 of 1962, as inserted by section 56 of Act 22 of 2012, as substituted by section 71 of Act 31 of 2013 and amended by section 43 of Act 43 of 2014, section 46 of Act 15 of 2016, section 44 of Act 17 of 2017, section 44 of Act 23 of 2018 and section 27 of Act 23 of 2020

21. (1) Section 24JB of the Income Tax Act, 1962, is hereby amended by the substitution for subsection (3) of the following subsection:

''(3) Any amount contemplated in the definition of 'gross income' or any amount required to be taken into account in determining the taxable income in terms of any provision of Part I of Chapter II, or in determining any assessed capital loss of a covered person in respect of a financial asset or a financial liability contemplated in subsection (2) must only be taken into account in terms of this section.''.

(2) Subsection (1) comes into operation on 31 December 2024 and applies in respect of years of assessment ending on or after that date.

Amendment of section 25BB of Act 58 of 1962, as inserted by section 59 of Act 22 of 2012, substituted by section 74 of Act 31 of 2013 and amended by section 45 of Act 43 of 2014, section 50 of Act 25 of 2015, section 48 of Act 15 of 2016, section 45 of Act 17 of 2017, section 49 of Act 23 of 2018, section 32 of Act 34 of 2019 and section 29 of Act 23 of 2020

22. Section 25BB of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (1) in paragraph *(b)* of the definition of ''rental income'' for subparagraph (v) of the following subparagraph:

''(v) any amount recovered or recouped in terms of section 8(4) in respect of an amount of an allowance previously deducted in terms of section 11*(g)*, 12B, 12BA, 13, 13*bis*, 13*ter*, 13*quat*, 13*quin* or 13*sex*; and''; and

(b) by the substitution for subsection (4) of the following subsection:

''(4) A company that is a REIT or a controlled company on the last day of a year of assessment may not deduct by way of an allowance any amount in respect of immovable property in terms of section 11*(g)*, 12B, 12BA, 13, 13*bis*, 13*ter*, 13*quat*, 13*quin* or 13*sex*.''.

Substitution of section 25E of Act 58 of 1962, as inserted by section 30 of Act 17 of 2023

23. (1) Section 25E of the Income Tax Act, 1962, is hereby substituted for the following section:

''**25E. [Any]** Where the functional currency of a company is—

(a) the currency of the Republic and any amount referred to in **[paragraphs *(a)* and *(b)*]** paragraphs *(a)*(i), (ii) or (iii) or *(b)*(i), (ii) or (iii) of the definition of 'contributed tax capital' **[in section 1 that]** is denominated in any currency other than the currency of the Republic**[,]**; or

(b) any currency other than the currency of the Republic and any amount referred to in paragraphs *(a)(aa), (bb)* or *(cc)* or *(b)(aa), (bb)* or *(cc)* of the definition of 'contributed tax capital' is denominated in any currency other than the currency of the Republic,

that amount must be translated to the currency of the Republic by applying the spot rate on the date on which that amount must be taken into account for purposes of the determination of contributed tax capital.''.

(2) Subsection (1) comes into operation on 1 January 2025.

Amendment of section 28 of Act 58 of 1962, as amended by section 17 of Act 90 of 1962, section 22 of Act 55 of 1966, section 24 of Act 89 of 1969, section 21 of Act 88 of 1971, section 19 of Act 65 of 1973, section 19 of Act 91 of 1982, section 22 of Act 94 of 1983, section 17 of Act 65 of 1986, section 23 of Act 90 of 1988, section 13 of Act 70 of 1989, section 25 of Act 101 of 1990, section 29 of Act 129 of 1991, section 24 of Act 113 of 1993, section 19 of Act 21 of 1994, section 33 of Act 30 of 2000, section 42 of Act 35 of 2007, section 40 of Act 60 of 2008, section 40 of Act 17 of 2009, section 51 of Act 7 of 2010, section 61 of Act 22 of 2012, section 76 of Act 31 of 2013, section 52 of Act 25 of 2015, section 49 of Act 15 of 2016, section 50 of Act 23 of 2018, section 33 of Act 34 of 2019, section 21 of Act 20 of 2021, section 14 of Act 20 of 2022 and section 31 of Act 17 of 2023

24. (1) Section 28 of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (2)*(a)* for subparagraph (i) of the following subparagraph:

''(i) an amount equal to the sum of insurance revenue for insurance contracts and net earned premiums for investment contracts, which are determined in accordance with IFRS as reported by the insurer to shareholders in the audited financial statements, other than any reinsurance due to a cell owner as contemplated in the definition of 'cell structure' in section 1 of the Insurance Act, **[in respect of** '**third party risks**' **as defined in that section of that Act,]** which is included in that insurance revenue in accordance with IFRS; and'';

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

''(3) Subject to subsection (3A) and notwithstanding section 23*(e)*, for the purpose of determining the taxable income derived during any year of assessment by any short-term insurer from carrying on short-term insurance business, there shall be allowed as a deduction from the income of that short-term insurer an amount equal to—

(a) the sum of liabilities for incurred claims relating to short-term insurance business in respect of the policies of the insurer, net of amounts recognised in respect of reinsurance contracts for liabilities for incurred claims; and

(b) the liability for claims, net of amounts recognised in respect of reinsurance contracts, in relation to investment contracts entered into by a short-term insurer in the course of carrying on short-term insurance business,

which are determined in accordance with IFRS as reported by the insurer to shareholders in the audited annual financial statements: Provided that liabilities for incurred claims shall be—

(i) increased by the amount of insurance and reinsurance receivable balances; and

(ii) decreased by the amount of insurance and reinsurance creditor balances,

which are taken into account in the determination of the liabilities for incurred claims in accordance with IFRS as reported by the issuer to shareholders in the audited annual financial statements: Provided further that any amount that is payable to or receivable from a cell owner,

referred to in the definition of 'cell structure' in section 1 of the Insurance Act, which does not relate to a policy, must be disregarded.'';

(c) by the substitution in subsection (3A) in paragraph *(b)* for the words following item *(cc)* of the following words:

''the amounts of which are determined in accordance with IFRS as annually reported by the insurer to shareholders in the audited annual financial statements in respect of branch policies and in respect of subparagraphs (i), (iii), items *(aa)* and *(bb)* are limited to amounts relating to liabilities for incurred claims: Provided that any amount that is payable to or receivable from a cell owner, referred to in the definition of 'cell structure' in section 1 of the Insurance Act, **[in respect of** '**third party risks**' **as defined in that section of that Act]** that does not relate to a policy, must be disregarded: Provided further that the amount may not be less than zero;'';

(d) by the substitution in subsection (3C) for paragraphs *(a)*, *(b)*, respectively, of the following paragraphs:

''*(a)* include in its income an amount equal to the **[difference between]** amounts recoverable by that short-term insurer in respect of claims incurred under a short-term policy issued by that short-term insurer at the end of the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, that has not been received by that short-term insurer by the end of that year of assessment;

(b) deduct the liabilities for remaining coverage, **[net of]** reduced by reinsurance, calculated for the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, had IFRS 17 been applied at the end of that year of assessment or include in its income the liabilities for remaining coverage, net of reinsurance, calculated for the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, had IFRS 17 been applied at the end of that year of assessment; **[and]**'';

(e) by the insertion in subsection (3C) after paragraph *(b)* of the following paragraph:

''*(b*A*)* include in its income the absolute value whereby the amount of liabilities for remaining coverage is exceeded by the amount of reinsurance, calculated for the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, had IFRS 17 been applied at the end of that year of assessment;'';

(f) by the substitution in subsection (3C) for paragraph *(c)* of the following paragraph:

''*(c)* deduct the **[net]** amounts of insurance premium or reinsurance premium debtors, reduced by **[and]** amounts of reinsurance premium payable, taken into account in determining the liabilities for remaining coverage at the end of the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, had IFRS 17 been applied at the end of that year of assessment; and'';

(g) by the insertion in subsection (3C) after paragraph *(c)* of the following paragraph:

''*(c*A*)* include in its income the absolute value whereby amounts of insurance premium or reinsurance premium debtors is exceeded by amounts of reinsurance premium payable, taken into account in determining the liabilities for remaining coverage at the end of the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, had IFRS 17 been applied at the end of that year of assessment.''; and

(h) by the substitution in subsection (3D) for paragraphs *(c)* and *(d)*, respectively, of the following paragraphs:

''*(c)* For purposes of paragraph *(a)*, 'phasing-in amount' means the amount by which the amount of the deduction under subsection (3) or (3A), for the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, exceeds the amount of the **[deduction]** deductions under subsection (3) or (3A), and subsection (3C)*(b)* for the latest year of assessment commencing on or after 1 January 2022, but

before 1 January 2023, had IFRS 17 and subsection (3) or (3A), as amended by the Taxation Laws Amendment Act, 2022, and subsection (3C)*(b)* been applied at the end of that year of assessment**[, reduced by the difference between]** and when—

(i) *(aa)* the amount of insurance premium debtors and reinsurance premium debtors exceeds;**[; and]**

[(ii)] *(bb)* the amount of reinsurance premiums payable,

other than amounts forming part of the liability for incurred claims, deduct the difference between items *(aa)* and *(bb)* at the end of the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, had IFRS 17 been applied**[, other than amounts forming part of the liability for incurred claims,]**; or

(ii) *(aa)* the amount of reinsurance premium payable exceeds;

(bb) the amount of insurance premium debtors and reinsurance premium debtors,

other than amounts forming part of the liability for incurred claims, add the difference between items (*aa*) and (*bb*) at the end of the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, had IFRS 17 been applied, and **[increased by]** add the amount determined under subsection (3C)*(a)*.

(d) For purposes of paragraph *(b)*, 'phasing-in amount' means the amount by which the amount of the **[deduction]** deductions under subsection (3) or (3A), and subsection (3C)*(b)* for the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, had IFRS 17 and subsection (3) or (3A), as amended by the Taxation Laws Amendment Act, 2022, and subsection (3C)*(b)* been applied at the end of that year of assessment exceeds the amount of the deduction under subsection (3) or (3A), for the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, **[increased by the difference between]** and when—

(i) *(aa)* the amount of insurance premium debtors and reinsurance premium debtors **[; and]** exceeds,

[(ii)] *(bb)* the amount of reinsurance premiums payable,

other than amounts forming part of the liability for incurred claims, add the difference between items *(aa)* and *(bb)*, at the end of the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, had IFRS 17 been applied**[, other than amounts forming part of the liability for incurred claims]**; or

(ii) *(aa)* the amount of reinsurance premiums payable, exceeds,

(bb) the amount of insurance premium debtors and reinsurance premium debtors,

[reduced by] other than amounts forming part of the liability for incurred claims, deduct the difference between items (*aa*) and (*bb*) at the end of the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, had IFRS 17 been applied, and deduct the amount determined under subsection (3C)*(a)*.''.

(2) Subsection (1) is deemed to have come into operation on 1 January 2023 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 29A of Act 58 of 1962, as inserted by section 30 of Act 53 of 1999 and amended by section 36 of Act 59 of 2000, section 15 of Act 5 of 2001, section 15 of Act 19 of 2001, section 39 of Act 60 of 2001, section 30 of Act 74 of 2002, section 16 of Act 16 of 2004, section 23 of Act 20 of 2006, section 21 of Act 3 of 2008, section 52 of Act 7 of 2010, section 62 of Act 22 of 2012, section 77 of Act 31 of 2013, section 47 of Act 43 of 2014, section 53 of Act 25 of 2015, section 50 of Act 15 of 2016, section 46 of Act 17 of 2017, section 51 of Act 23 of 2018, section 34 of Act 34 of 2019, section 30 of Act 23 of 2020, section 22 of Act 20 of 2021, section 15 of Act 20 of 2022 and section 32 of Act 17 of 2023

25. (1) Section 29A of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (1) in paragraph *(b)* of the definition of ''adjusted IFRS value'' for the proviso of the following proviso:

''': Provided that any amount that is payable to or receivable from a cell owner, referred to in the definition of 'cell structure' in section 1 of the Insurance Act, **[in respect of 'third party risks', as defined in that section of that Act]** that does not relate to a policy, must be disregarded'';

(b) by the substitution in subsection (1) for the definition of ''value of liabilities'' of the following definition:

'' **'value of liabilities'** means, in respect of a policyholder fund and a risk policy fund the adjusted IFRS value plus so much of all other liabilities allocated to that fund that have not been taken into account in determining the adjusted IFRS value: Provided that any amount that is payable to or receivable from a cell owner, referred to in the definition of 'cell structure' in section 1 of the Insurance Act, **[in respect of 'third party risks', as defined in that section of that Act]** that does not relate to a policy, must be disregarded.''; and

(c) by the substitution in subsection (15) for paragraphs *(a)* and *(b)*, respectively, of the following paragraphs:

''*(a)* the amount by which the 'value of liabilities' amount determined at the end of the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, less the amounts for premium debtors **[and]**, policy loans and reinsurance debtors, determined in accordance with IFRS as reported by the insurer to shareholders in the audited annual financial statements at the end of that year of assessment, that **[reduce]** would have reduced the amount of policy liabilities had IFRS 17 been applied, exceeds the 'value of liabilities' amount had IFRS 17 and the definitions of 'adjusted IFRS value' and 'value of liabilities' as amended by the Taxation Laws Amendment Act, 2022, been applied at the end of that year of assessment; or

(b) the amount by which the 'value of liabilities' amount had IFRS 17 and the definitions of 'adjusted IFRS value' and 'value of liabilities' as amended by the Taxation Laws Amendment Act, 2022, been applied at the end of the latest year of assessment commencing on or after 1 January 2022, but before 1 January 2023, plus the amounts for premium debtors **[and]**, policy loans and reinsurance debtors determined in accordance with IFRS as reported by the insurer to shareholders in the audited annual financial statements at the end of that year of assessment, that **[reduce]** would have reduced the amount of policy liabilities had IFRS 17 been applied, exceeds the 'value of liabilities' amount determined at the end of that year of assessment:''.

(2) Subsection (1) is deemed to have come into operation on 1 January 2023 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 30 of Act 58 of 1962, as inserted by section 35 of Act 30 of 2000 and amended by section 16 of Act 19 of 2001, section 22 of Act 30 of 2002, section 31 of Act 74 of 2002, section 45 of Act 45 of 2003, section 28 of Act 32 of 2004, section 36 of Act 31 of 2005, section 24 of Act 20 of 2006, section 25 of Act 8 of 2007, section 43 of Act 35 of 2007, section 22 of Act 3 of 2008, section 41 of Act 60 of 2008, section 41 of Act 17 of 2009, section 53 of Act 7 of 2010, section 8 of Act 21 of 2012, section 79 of Act 31 of 2013, section 48 of Act 43 of 2014, section 54 of Act 25 of 2015, section 51 of Act 15 of 2016 and section 35 of Act 34 of 2019

26. Section 30 of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (3)*(b)*(iii) for items *(bb)* and *(cc)*, respectively, of the following items:

''*(bb)* any institution, board or body which is exempt from tax under the provisions of section 10(1)*(c*A*)*(i), which has as its sole or principal object the carrying on of any public benefit activity; or

(cc) the government of the Republic in the national, provincial or local sphere, contemplated in section 10(1)*(a)***[; or]**,''; and

(b) by the deletion in subsection (3)*(b)*(iii) of item *(dd)*.

Amendment of section 41 of Act 58 of 1962, as substituted by section 34 of Act 74 of 2002 and amended by section 49 of Act 45 of 2003, section 32 of Act 32 of 2004, section 37 of Act 31 of 2005, section 28 of Act 20 of 2006, sections 32 and 103 of Act 8 of 2007, section 52 of Act 35 of 2007, section 25 of Act 3 of 2008, section 48 of Act 60 of 2008, section 47 of Act 17 of 2009, section 61 of Act 7 of 2010, section 67 of Act 24 of 2011, section 73 of Act 22 of 2012, section 90 of Act 31 of 2013, section 54 of Act 43 of 2014, section 61 of Act 25 of 2015, section 54 of Act 15 of 2016, section 50 of Act 17 of 2017, section 54 of Act 23 of 2018, section 39 of Act 34 of 2019 and section 24 of Act 20 of 2021

27. (1) Section 41 of the Income Tax Act, 1962, is hereby amended by the substitution in subsection (4) for the words preceding paragraph *(a)* of the following words:

''A company must for the purposes of section 20(1)*(a)* and this Part, be deemed to have taken steps to liquidate, wind up or deregister, where—''.

(2) Subsection (1) comes into operation on 1 January 2025 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 42 of Act 58 of 1962, as substituted by section 34 of Act 74 of 2002 and amended by section 50 of Act 45 of 2003, section 33 of Act 32 of 2004, section 38 of Act 31 of 2005, section 29 of Act 20 of 2006, section 33 of Act 8 of 2007, section 53 of Act 35 of 2007, section 26 of Act 3 of 2008, section 49 of Act 60 of 2008, section 48 of Act 17 of 2009, section 62 of Act 7 of 2010, section 68 of Act 24 of 2011, section 74 of Act 22 of 2012, section 91 of Act 31 of 2013, section 55 of Act 43 of 2014, section 62 of Act 25 of 2015, section 51 of Act 17 of 2017, section 55 of Act 23 of 2018, section 40 of Act 34 of 2019, section 25 of Act 20 of 2021 and section 36 of Act 17 of 2023

28. Section 42 of the Income Tax Act, 1962, is hereby amended by the substitution in subsection (1) in the definition of ''qualifying interest'' for paragraph *(d)* of the following paragraph:

''*(d)* an equity share held by that person in a company which forms part of the same group of companies **[or]** as that person; or''.

Amendment of section 44 of Act 58 of 1962, as substituted by section 34 of Act 74 of 2002 and amended by section 52 of Act 45 of 2003, section 40 of Act 31 of 2005, section 34 of Act 8 of 2007, section 55 of Act 35 of 2007, section 27 of Act 3 of 2008, section 50 of Act 60 of 2008, section 49 of Act 17 of 2009, section 63 of Act 7 of 2010, section 69 of Act 24 of 2011, section 76 of Act 22 of 2012, section 93 of Act 31 of 2013, section 57 of Act 43 of 2014, section 63 of Act 25 of 2015, section 55 of Act 15 of 2016, section 52 of Act 17 of 2017, section 56 of Act 23 of 2018 and section 41 of Act 34 of 2019

29. Section 44 of the Income Tax Act, 1962, is hereby amended by the deletion in subsection (14) of paragraph *(d)*.

Amendment of paragraph 2 of Second Schedule to Act 58 of 1962, as substituted by section 57 of Act 17 of 2009 and amended by section 80 of Act 7 of 2010, section 92 of Act 22 of 2012, section 62 of Act 17 of 2017, section 48 of Act 34 of 2019 and section 3 of Act 12 of 2024

30. (1) Paragraph 2(1) of the Second Schedule to the Income Tax Act, 1962, is hereby amended by the substitution for item *(c)* of the following item:

''*(c)* any amount of a member's retirement interest transferred for the benefit of that person on or after normal retirement age, as defined in the rules of the fund, but before retirement date, less any deductions permitted under **[the provisions of]** paragraph 6A; and''.

(2) Subsection (1) comes into operation on 1 March 2025 and applies in respect of years of assessment commencing on or after that date.

Amendment of paragraph 6A of Second Schedule to Act 58 of 1962, as inserted by section 65 of Act 17 of 2017 and amended by section 66 of Act 23 of 2018, section 42 of Act 23 of 2020, section 35 of Act 20 of 2021 and section 40 of Act 17 of 2023

31. (1) Paragraph 6A of the Second Schedule to the Income Tax Act, 1962, is hereby amended—

(a) by the substitution for subparagraphs *(c)* and *(d),* respectively, of the following subparagraphs:

"*(c)* pension preservation or provident preservation fund into another pension preservation or provident preservation fund or a retirement annuity fund; **[or]**

(d) pension fund or provident fund into another pension fund or provident fund **[that is subject to]** in the case of an involuntary transfer**[.]**; or"; and

(b) by the addition after subparagraph *(d)* of the following subparagraph:

"*(e)* retirement annuity fund into another retirement annuity fund.".

(2) Subsection (1) comes into operation on 1 March 2025 and applies in respect of years of assessment commencing on or after that date.

Amendment of paragraph 2 of Seventh Schedule to Act 58 of 1962, as inserted by section 46 of Act 121 of 1984 and amended by section 27 of Act 96 of 1985, section 56 of Act 101 of 1990, section 49 of Act 28 of 1997, section 54 of Act 30 of 1998, section 50 of Act 32 of 2004, section 55 of Act 31 of 2005, section 64 of Act 17 of 2009, section 102 of Act 24 of 2011, section 100 of Act 22 of 2012, section 118 of Act 31 of 2013, section 94 of Act 25 of 2015 and section 69 of Act 23 of 2018

32. Paragraph 2 of the Seventh Schedule to the Income Tax Act, 1962, is hereby amended by the deletion of subparagraph *(g*A*)*.

Amendment of paragraph 12D of Seventh Schedule to Act 58 of 1962, as substituted by section 77 of Act 43 of 2014 and amended by section 101 of Act 25 of 2015, section 69 of Act 15 of 2016, section 69 of Act 17 of 2017, section 71 of Act 23 of 2018 and section 43 of Act 20 of 2021

33. Paragraph 12D of the Seventh Schedule to the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subparagraph (1) for the definition of "benefit" of the following definition:

" **'benefit'** in relation to an employee that is a member of a pension fund**[,]** or provident fund **[or retirement annuity fund]**, means any amount payable to that member or a dependant or nominee of that member by that fund in terms of the rules of the fund;";

(b) by the substitution in subparagraph (1) for the definition of "defined benefit component" of the following definition:

" **'defined benefit component'** means a benefit or part of a benefit receivable from a pension fund**[,]** or provident fund **[or retirement annuity fund]** by a member of that fund or a dependant or nominee of that member other than a defined contribution component or underpin component of a fund;";

(c) by the substitution in subparagraph (1) for the definition of "defined contribution component" of the following definition:

" **'defined contribution component'** means a benefit or part of a benefit receivable from a pension fund**[,]** or provident fund **[or retirement annuity fund]**—

(a) where the interest of each member in the fund in respect of that benefit has a value equal to the value of—

(i) the contributions paid by the member and by the employer in terms of the rules of the fund that determine the rates of both their contributions at a fixed rate;

(ii) less such expenses as the board of that fund determines should be deducted from the contributions paid;

(iii) plus any amount credited to the member's individual account upon—

(A) the commencement of the member's membership of the fund;

(B) the conversion of the component of the fund to which the member belongs from a defined benefit component to a defined contribution component; or

(C) the amalgamation of that fund with any other fund**[, if any]**,

other than amounts taken into account in terms of subparagraph (iv); and

(iv) plus any other amounts lawfully permitted**[,]** to be credited to or debited from the member's individual account**[, if any]**, as increased or decreased by fund return; or

(b) which consists of a risk benefit provided by the fund directly or indirectly for the benefit of a member of the fund if the risk benefit is provided by means of a policy of insurance or a risk benefit policy;'';

(d) by the substitution in subparagraph (1) for the definition of ''fund member category'' of the following definition:

'' **'fund member category'** in relation to members of a pension fund**[,]** or provident fund **[or retirement annuity fund]**, means any group of members in respect of whom, in terms of the rules of the fund—

(a) the employers of those members and those members must respectively make a contribution to that fund in an amount in respect of retirement funding income at the same fixed rate; and

(b) the determination of the value of the benefits of the members referred to in paragraph *(a)* and the determination of the entitlement of those members to those benefits are made according to the same method;'';

(e) by the substitution in subparagraph (1) for the definition of ''member'' of the following definition:

'' **'member'** means, in relation to a pension**[,]** fund or provident **[or retirement annuity]** fund, any member or former member of that fund but does not include any member or former member or person who has received all the benefits which may be due to them from the fund and whose membership has thereafter been terminated in accordance with rules of the fund;'';

(f) by the substitution in subparagraph (1) for the definition of ''underpin component'' of the following definition:

'' **'underpin component'** means a benefit receivable from a pension fund**[,]** or provident fund **[or retirement annuity fund]** the value of which benefit, in terms of the rules of the fund, is the greater of the amount of a defined contribution component or a defined benefit component other than a risk benefit.'';

(g) by the substitution for subparagraph (2) of the following subparagraph:

''(2) The cash equivalent of the value of the taxable benefit contemplated in paragraph 2*(l)*, where the benefits payable to members in respect of a fund member category of a pension**[,]** fund or provident **[or retirement annuity]** fund consists solely of defined contribution components, is the value of the amount contributed by the employer for the benefit of an employee who is a member of that fund.''; and

(h) by the substitution in subparagraph (3) for the words preceding the formula of the following words:

''Where the taxable benefits payable to members in respect of a fund member category of a pension**[,]** fund or provident **[or retirement annuity]** fund consists of components other than only defined contribution components, the cash equivalent of the value of the taxable benefit contemplated in paragraph 2*(l)* is an amount that must be determined in accordance with the formula''.

Amendment of paragraph 5 of Eighth Schedule to Act 58 of 1962, as amended by section 32 of Act 9 of 2006, section 2 of Act 8 of 2007, section 1 of Act 3 of 2008, section 67 of Act 17 of 2009, section 107 of Act 24 of 2011, section 8 of Act 13 of 2012, section 11 of Act 13 of 2016, section 75 of Act 23 of 2018 and section 22 of Act 20 of 2022

34. Paragraph 5 of the Eighth Schedule to the Income Tax Act, 1962, is hereby amended by the substitution in subparagraph (1) for the proviso of the following proviso:

''; Provided that where any person's year of assessment is less than a period of 12 months, the **[total]** sum of the annual exclusions for years of assessments ending during the period of 12 months commencing **[in]** on 1 March and ending **[at the end]** on the last day of February of the immediately following calendar year must per year of assessment and in aggregate not exceed R40 000.''.

Amendment of paragraph 64B of Eighth Schedule to Act 58 of 1962, as amended by section 79 of Act 31 of 2005, section 35 of Act 9 of 2006, section 65 of Act 8 of 2007, section 58 of Act 3 of 2008, section 81 of Act 60 of 2008, section 108 of Act 7 of 2010, section 116 of Act 24 of 2011, substituted by section 123 of Act 22 of 2012 and amended by section 144 of Act 31 of 2013, section 117 of Act 25 of 2017, section 84 of Act 23 of 2018, section 51 of Act 23 of 2020 and section 42 of Act 17 of 2023

35. (1) Paragraph 64B of the Eighth Schedule to the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subparagraph (1)*(b)* for item (iii) of the following item:

''(iii) a non-resident company, of which the shareholders **[of which]** and their shareholding, immediately after the disposal, are substantially the same as the shareholders of and their shareholding in any company that is in the same group of companies as the company in the group of companies disposing of the shares,''; and

(b) by the substitution for subparagraph (4) of the following subparagraph:

''(4) A person must disregard any capital gain determined in respect of any foreign return of capital received by or accrued to that person from a 'foreign company' as defined in section 9D (other than an interest contemplated in paragraph 2(2)) where that person (whether alone or together with any other person forming part of the same group of companies as that person)—

(a) holds an interest of at least 10 per cent of the total equity shares and voting rights in that company; and

(b) has held the interest referred to in item *(a)* for at least 18 months prior to the receipt or accrual of that foreign return of capital, unless—

(i) that person is a company;

(ii) that interest was acquired by that person from any other company that forms part of the same group of companies as that person; and

(iii) that person and that other company in aggregate held that interest for longer than 18 months.''.

(2) Paragraph *(a)* of subsection (1) is deemed to have come into operation on 1 November 2023 and applies in respect of disposals on or after that date.

(3) Paragraph *(b)* of subsection (1) is deemed to have come into operation on 1 January 2024 and applies in respect of foreign returns of capital received or accrued on or after that date.

Amendment of paragraph 80 of Eighth Schedule to Act 58 of 1962, as inserted by section 38 of Act 5 of 2001 and amended by section 108 of Act 60 of 2001, section 58 of Act 20 of 2006, section 62 of Act 3 of 2008, section 86 of Act 60 of 2008, section 80

of Act 17 of 2009, section 150 of Act 31 of 2013, section 123 of Act 25 of 2015, section 75 of Act 17 of 2017, substituted by section 87 of Act 23 of 2018 and amended by section 64 of Act 34 of 2019 and section 52 of Act 23 of 2020

36. Paragraph 80 of the Eighth Schedule to the Income Tax Act, 1962, is hereby amended by the substitution for subparagraph (4) of the following subparagraph:

"(4) In determining, for purposes of subparagraph (1), **[(2)]** (2A) or (3), whether an amount would have constituted a capital gain had the trust been a resident, the provisions of paragraph 64B(1) and (4) must be disregarded in respect of an amount derived by that trust, directly or indirectly, from the disposal or in respect of an equity share in a foreign company if—

(a) more than 50 per cent of the total participation rights, as defined in section 9D(1), or of the voting rights in that company are directly or indirectly held or are exercisable, as the case may be, by that trust whether alone or together with any one or more persons that are connected persons in relation to that trust; and

(b) to the extent to which that amount is not derived from an amount that must be included in the income of or attributed to—

(i) the resident to whom an amount is attributed in terms of subparagraph (1), **[(2)]** (2A) or (3); or

(ii) a resident who is a connected person in relation to the resident referred to in subitem (i).".

Amendment of paragraph 4 of Part I of Ninth Schedule to Act 58 of 1962, as inserted by section 41 of Act 30 of 2002 and amended by section 125 of Act 45 of 2003, section 82 of Act 31 of 2005, section 60 of Act 20 of 2006, section 63 of Act 3 of 2008, section 87 of Act 60 of 2008, section 82 of Act 17 of 2009, section 12 of Act 13 of 2012, section 151 of Act 31 of 2013, section 80 of Act 15 of 2016 and section 53 of Act 23 of 2020

37. Paragraph 4 of Part I of the Ninth Schedule to the Income Tax Act, 1962, is hereby amended by the substitution for subparagraph *(c)* of the following subparagraph:

"*(c)* 'Adult basic education **[and training]**', as **[defined in the Adult Education and Training Act, 2000, (Act No. 52 of 2000)]** envisaged in section 29(1)*(a)* of the Constitution, including literacy and numeracy education.".

Amendment of paragraph 3 of Part II of Ninth Schedule to Act 58 of 1962, as inserted by section 41 of Act 30 of 2002 and amended by section 129 of Act 45 of 2003, section 84 of Act 31 of 2005, section 62 of Act 20 of 2006, section 64 of Act 3 of 2008, section 89 of Act 60 of 2008, section 83 of Act 17 of 2009, section 13 of Act 13 of 2012, section 153 of Act 31 of 2013 and section 54 of Act 23 of 2020

38. Paragraph 3 of Part II of the Ninth Schedule to the Income Tax Act, 1962, is hereby amended by the substitution for subparagraph *(c)* of the following subparagraph:

"*(c)* 'Adult basic education **[and training]**', as **[defined in the Adult Education and Training Act, 2000, (Act No. 52 of 2000)]** envisaged in section 29(1)*(a)* of the Constitution, including literacy and numeracy education.".

Amendment of Eleventh Schedule to Act 58 of 1962, as added by section 140 of Act 22 of 2012, amended by section 161 of Act 31 of 2013 and substituted by section 125 of Act 25 of 2015, section 56 of Act 23 of 2020, section 47 of Act 20 of 2021 and section 23 of Act 20 of 2022

39. (1) The Eleventh Schedule to the Income Tax Act, 1962, is hereby amended by the substitution for Item 11 of the following Item:

"11. **[Clothing and Textiles Competitiveness Programme]** Clothing, Textile, Footwear & Leather Growth Programme (CTFLGP) received or accrued from the **[Industrial Development Corporation]** Department of Trade, Industry and Competition;".

(2) Subsection (1) is, in respect of any grant, deemed to have come into operation on the date on which that grant was awarded to the recipient thereof and applies in respect of any amount received or accrued in respect of that grant on or after that date.

Continuation of certain amendments of Schedules to Act 91 of 1964 and Act 89 of 1991

40. Every amendment or withdrawal of or insertion in Schedules No. 1 to 6, 8 and 10 to the Customs and Excise Act, 1964, made under sections 48, 49, 56, 56A, 57, 60 or 75(15) of that Act during the period 1 October 2023, up to and including 31 October 2024, shall not lapse by virtue of sections 48(6), 49(5A), 56(3), 56A(3), 57(3), 60(4) or 75(16) of that Act and in Schedule No.1 to the Value Added Tax Act, 1991, made under section 74(3)*(a)* of that Act during the period 1 October 2023, up to and including 31 October 2024, shall not lapse by virtue of section 74(3)*(b)* of that Act.

Amendment of Schedule 1 to Act 91 of 1964, as amended by section 19 of Act 95 of 1965, section 15 of Act 57 of 1966, section 2 of Act 96 of 1967, section 22 of Act 85 of 1968, section 37 of Act 105 of 1969, section 9 of Act 98 of 1970, section 2 of Act 89 of 1971, section 12 of Act 103 of 1972, section 6 of Act 68 of 1973, section 3 of Act 64 of 1974, section 13 of Act 71 of 1975, section 13 of Act 105 of 1976, section 38 of Act 112 of 1977, section 3 of Act 114 of 1981, section 27 of Act 86 of 1982, section 10 of Act 89 of 1984, section 14 of Act 101 of 1985, section 11 of Act 69 of 1988, section 19 of Act 68 of 1989, section 40 of Act 59 of 1990, section 3 of Act 111 of 1991, section 15 of Act 105 of 1992, section 13 of Act 98 of 1993, section 12 of Act 19 of 1994, section 74 of Act 45 of 1995, section 8 of Act 44 of 1996, section 15 of Act 27 of 1997, section 75 of Act 30 of 1998, section 7 of Act 32 of 1999, section 64 of Act 30 of 2000, section 52 of Act 19 of 2001, section 53 of Act 30 of 2002, section 41 of Act 12 of 2003, section 155 of Act 45 of 2003, section 36 of Act 16 of 2004, section 14 of Act 9 of 2005, section 36 of Act 9 of 2006, section 76 of Act 8 of 2007, section 66 of Act 3 of 2008, section 88 of Act 17 of 2009, section 117 of Act 7 of 2010, section 127 of Act 24 of 2011, section 14 of Act 13 of 2012, section 9 of Act 23 of 2013, section 7 of Act 42 of 2014, section 8 of Act 13 of 2015, section 13 of Act 13 of 2016, section 18 of Act 14 of 2017, section 7 of Act 21 of 2018, section 4 of Act 32 of 2019, section 9 of Act 22 of 2020, section 5 of Act 19 of 2021, section 5 of Act 19 of 2022 and section 7 of Act 19 of 2023

41. (1) Schedule No. 1 to the Customs and Excise Act, 1964, is hereby amended as set out in Parts I to IV of Schedule I to this Act.

(2) The amendments set out in Part I of Schedule I to this Act make provision for the insertion of petroleum oil preparations under tariff subheading 2710.19 in Part 1 of Schedule No. 1 and are deemed to have come into operation retrospectively on 1 January 2002.

(3)*(a)* The amendments set out in Part II of Schedule I to this Act make provision for the insertion of tariff items under item 105.13 for aviation kerosene, illuminating kerosene, distillate fuel and specified aliphatic hydrocarbons in Section A of Part I of Schedule No. 1 and are deemed to have come into operation retrospectively on 1 January 2002.

(b) The rates of excise duty applicable to aviation kerosene, illuminating kerosene, distillate fuel and specified aliphatic hydrocarbons for purposes of the inserted tariff items contemplated in paragraph *(a)*, shall be equal to the excise duty rates specified under tariff subheading 2710.11 or 2710.12, as the case may be, in Section A of Part 2 to Schedule No. 1 and apply as amended each year retrospectively from 1 January 2002, by notice in the Government *Gazette* and approved by Parliament.

(4)*(a)* The amendments set out in Part III of Schedule I to this Act make provision for the insertion of fuel levy items under item 195.13 for aviation kerosene, illuminating kerosene, distillate fuel and specified aliphatic hydrocarbons in Part 5A of Schedule No. 1 and are deemed to have come into operation retrospectively on 1 January 2002.

(b) The rates of fuel levy applicable to aviation kerosene, illuminating kerosene, distillate fuel and specified aliphatic hydrocarbons for purposes of the inserted fuel levy items contemplated in paragraph *(a)*, shall be equal to the fuel levy rates specified under tariff item 195.00 in Part 5A to Schedule No. 1 and apply as amended each year retrospectively from 1 January 2002, by notice in the Government *Gazette* and approved by Parliament.

(5)*(a)* The amendments set out in Part IV of Schedule I to this Act make provision for the insertion of Road Accident Fund (RAF) levy items under 197.13 for aviation kerosene, illuminating kerosene, distillate fuel and specified aliphatic hydrocarbons in Part 5B of Schedule No. 1 and are deemed to have come into operation retrospectively on 1 January 2002.

(b) The rates of RAF levy applicable to kerosene, illuminating kerosene, distillate fuel and specified aliphatic hydrocarbons for purposes of the inserted RAF levy items contemplated in paragraph *(a)*, shall be equal to the RAF levy rates specified under item 197.00, in Part 5B to Schedule No. 1 and apply as amended each year retrospectively from 1 April 2006, by notice in the Government *Gazette* and approved by Parliament.

(6) The Commissioner for the South African Revenue Service may prescribe rules under the Customs and Excise Act, 1964, as may be necessary for the effective implementation of subsections (1) to (5).

Amendment of Schedule 4 to Act 91 of 1964, as amended by section 106 of Act 20 of 2006 and section 19 of Act 14 of 2017

42. (1) Schedule No. 4 to the Customs and Excise Act, 1964, is hereby amended as set out in Schedule II to this Act.

(2) The amendment set out in Schedule II to this Act makes provision for the insertion of an item to rebate fuel levy and Road Accident Fund (RAF) levy on specified aliphatic hydrocarbons of tariff subheading 2710.19 in Part 4 of Schedule No. 4, and is deemed to have come into operation retrospectively on 1 January 2002 insofar as it relates to fuel levy and 1 April 2006 insofar as it relates to the RAF levy.

(3) The Commissioner for the South African Revenue Service may prescribe rules under the Customs and Excise Act, 1964, as may be necessary for the effective implementation of subsections (1) and (2).

Amendment of Schedule 5 to Act 91 of 1964, as amended by section 19 of Act 14 of 2017

43. (1) Schedule No. 5 to the Customs and Excise Act, 1964, is hereby amended as set out in Schedule III to this Act.

(2) The amendment set out in Schedule III to this Act makes provision for the insertion of item 195.13 to refund duties and levies on distillate fuels used by diplomatic and other foreign representatives in Part 4 of Schedule No. 5 and is deemed to have come into operation retrospectively on 1 January 2002.

(3) The Commissioner for the South African Revenue Service may prescribe rules under the Customs and Excise Act, 1964, as may be necessary for the effective implementation of subsections (1) and (2).

Amendment of Schedule 6 to Act 91 of 1964, as amended by section 19 of Act 14 of 2017, section 9 of Act 22 of 2020, section 5 of Act 19 of 2021, section 25 of Act 20 of 2022 and section 45 of Act 17 of 2023

44. (1) Schedule No. 6 to the Customs and Excise Act, 1964, is hereby amended as set out in Schedule IV to this Act.

(2) The amendments set out in Schedule IV to this Act make provision for the insertion of rebate and refund items under item 105.13 for specific rebates and refunds of excise duties, to the extent provided for in Schedule IV to this Act, on illuminating kerosene, distillate fuel and specified aliphatic hydrocarbons in Section F of Part 1 of Schedule No. 6 and are deemed to have come into operation retrospectively on 1 January 2002.

(3) The Commissioner for the South African Revenue Service may prescribe rules under the Customs and Excise Act, 1964, as may be necessary for the effective implementation of subsections (1) and (2).

Amendment of section 1 of Act 89 of 1991, as amended by section 21 of Act 136 of 1991, paragraph 1 of Government Notice 2695 of 8 November 1991, section 12 of Act 136 of 1992, section 1 of Act 61 of 1993, section 22 of Act 97 of 1993, section 9 of Act 20 of 1994, section 18 of Act 37 of 1996, section 23 of Act 27 of 1997, section 34 of Act 34 of 1997, section 81 of Act 53 of 1999, section 76 of Act 30 of 2000, section 64 of Act 59 of 2000, section 65 of Act 19 of 2001, section 148 of Act 60 of 2001, section 114 of Act 74 of 2002, section 47 of Act 12 of 2003, section 164 of Act 45 of 2003, section 43 of Act 16 of 2004, section 92 of Act 32 of 2004, section 8 of Act 10 of 2005, section 101 of Act 31 of 2005, section 40 of Act 9 of 2006, section 77 of Act 20 of 2006, sections 81 and 108 of Act 8 of 2007, section 104 of Act 35 of 2007, section 68 of Act 3 of 2008, section 104 of Act 60 of 2008, section 33 of Act 18 of 2009, section 119 of Act 7 of 2010, section 26 of Act 8 of 2010, section 129 of Act 24 of 2011, section

271 of Act 28 of 2011 read with item 108 of Schedule 1 to that Act, section 145 of Act 22 of 2012, section 165 of Act 31 of 2013, section 95 of Act 43 of 2014, section 128 of Act 25 of 2015, section 83 of Act 15 of 2016, section 77 of Act 17 of 2017, section 89 of Act 28 of 2018, section 66 of Act 34 of 2019, section 61 of Act 23 of 2020, section 27 of Act 20 of 2022 and section 46 of Act 17 of 2023

45. (1) Section 1 of the Value-Added Tax Act, 1991, is hereby amended by the substitution in subsection (1) for the definition of ''resident of the Republic'' of the following definition:

'' **'resident of the Republic'** means—

(a) a resident as defined in section 1 of the Income Tax Act, other than a person that—

(i) is a 'resident' solely as a result of having its place of effective management in the Republic as referred to in paragraph *(b)* of that definition; and

(ii) does not carry on an enterprise in the Republic; or**[: Provided that]**

(b) any other person or any other company **[shall be deemed to be a resident of the Republic]** to the extent that such person or company carries on in the Republic any enterprise or other activity and has a fixed or permanent place in the Republic relating to such enterprise or other activity;''.

(2) Subsection (1) comes into operation on 1 January 2025.

Amendment of section 8 of Act 89 of 1991, as amended by section 24 of Act 136 of 1991, paragraph 4 of Government Notice 2695 of 8 November 1991, section 15 of Act 136 of 1992, section 24 of Act 97 of 1993, section 11 of Act 20 of 1994, section 20 of Act 46 of 1996, section 25 of Act 27 of 1997, section 83 of Act 53 of 1999, section 67 of Act 19 of 2001, section 151 of Act 60 of 2001, section 166 of Act 45 of 2003, section 95 of Act 32 of 2004, section 102 of Act 31 of 2005, section 172 of Act 34 of 2005, section 42 of Act 9 of 2006, section 79 of Act 20 of 2006, section 27 of Act 36 of 2007, section 106 of Act 60 of 2008, section 91 of Act 17 of 2009, section 120 of Act 7 of 2010, section 131 of Act 24 of 2011, section 146 of Act 22 of 2012, section 166 of Act 31 of 2013, section 21 of Act 44 of 2014, section 129 of Act 25 of 2015, section 24 of Act 16 of 2016, section 78 of Act 17 of 2017, section 10 of Act 21 of 2018, section 68 of Act 34 of 2019, section 62 of Act 23 of 2020 and section 48 of Act 17 of 2023

46. (1) Section 8 of the Value-Added Tax Act, 1991, is hereby amended—

(a) by the addition to the proviso to subsection (2) after paragraph (vi) of the following paragraph:

''(vii) this subsection shall not apply to a person contemplated in paragraph (xiii) of the proviso to the definition of 'enterprise' in section 1(1), where such person—

(aa) paid the tax under section 7(1)*(b)*;

(bb) was registered or was required to be registered under section 23; and

(cc) ceases to be a vendor solely as a consequence of the introduction of paragraph (xiii) of the proviso to the definition of 'enterprise' in section 1(1).''; and

(b) by the addition after subsection (29) of the following subsection:

''(30) For the purposes of this Act, where two or more branches of an implementing agency merge into a single branch registration of the same implementing agency where such implementing agency exercised the option to merge all its activities in relation to foreign donor funded projects into a single branch registration under section 50(2A)(*b*)(ii) of this Act, any existing branch of the implementing agency prior to the merger and the newly merged single branch registration shall be deemed to be one and the same person: Provided that, on the date of that single branch registration, all assets and liabilities of the separate branches are transferred to, and the enterprises conducted by the said branches continues as is in the single branch registration.''.

(2) Paragraph *(a)* of subsection (1) is deemed to have come into operation on 1 January 2023.

(3) Paragraph *(b)* of subsection (1) comes into operation on 1 January 2025.

Amendment of section 8A of Act 89 of 1991, as inserted by section 121 of Act 7 of 2010 and amended by section 132 of Act 24 of 2011 and section 69 of Act 34 of 2019

47. (1) Section 8A of the Value-Added Tax Act, 1991, is hereby amended by the addition after subsection (2) of the following subsection:

''(3) For the purposes of this Act, in the case of any 'mudaraba' as defined in section 24JA(1) of the Income Tax Act, the portion of any return contemplated in paragraph *(e)* of that definition that is paid or payable by the bank to the client shall be deemed to be consideration to the client in respect of a financial service provided as contemplated in section 2(1)(*f*): Provided that this subsection shall not apply to the extent to which the consideration constitutes any fee, commission or similar charge.''.

(2) Subsection (1) comes into operation on 1 April 2025.

Amendment of section 11 of Act 89 of 1991, as amended by section 27 of Act 136 of 1991, Government Notice 2695 of 8 November 1991, section 17 of Act 136 of 1992, section 27 of Act 97 of 1993, section 13 of Act 20 of 1994, section 28 of Act 27 of 1997, section 89 of Act 30 of 1998, section 85 of Act 53 of 1999, section 77 of Act 30 of 2000, section 43 of Act 5 of 2001, section 153 of Act 60 of 2001, section 169 of Act 45 of 2003, section 46 of Act 16 of 2004, section 98 of Act 32 of 2004, section 21 of Act 9 of 2005, section 105 of Act 31 of 2005, section 44 of Act 9 of 2006, section 81 of Act 20 of 2006, section 105 of Act 35 of 2007, section 29 of Act 36 of 2007, Government Notice R.1024 in Government *Gazette* 32664 of 30 October 2009, section 134 of Act 24 of 2011, section 169 of Act 31 of 2013, section 96 of Act 43 of 2014, section 132 of Act 25 of 2015, section 81 of Act 17 of 2017, section 54 of Act 34 of 2019, section 64 of Act 23 of 2020 and section 52 of Act 20 of 2021

48. (1) Section 11 of the Value-Added Tax Act, 1991, is hereby amended—

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

''*(h)* the goods consist of fuel levy goods referred to in Fuel Item Levy numbers 195.10.03, 195.10.17, 195.13.17, 195.20.01 and 195.20.03 in Part 5A of Schedule No. 1 to the Customs and Excise Act; or''; and

(b) by the substitution in subsection (1) for paragraph (*l*) of the following paragraph:

''*(l)* the goods consist of illuminating kerosene (marked) intended for use as fuel for illuminating or heating, referred to in Fuel Item Levy numbers 195.10.13 and 195.13.13 in Part 5A of Schedule No. 1 to the Customs and Excise Act and are not mixed or blended with another substance; or''.

(2) Subsection (1) is deemed to have come into operation retrospectively on 1 January 2002.

Amendment of section 22 of Act 89 of 1991, as amended by section 33 of Act 136 of 1991, paragraph 13 of Government Notice 2695 of 8 November 1991, section 27 of Act 136 of 1992, section 25 of Act 37 of 1996, section 36 of Act 27 of 1997, section 95 of Act 30 of 1998, section 177 of Act 45 of 2003, section 110 of Act 31 of 2005, section 86 of Act 20 of 2006, section 140 of Act 24 of 2011, section 177 of Act 31 of 2013, section 91 of Act 23 of 2018 and section 66 of Act 23 of 2020

49. (1) Section 22 of the Value-Added Tax Act, 1991, is hereby amended by the substitution for subsection (2) of the following subsection:

''(2) Where any amount in respect of which a deduction has been made in accordance with subsection (1) or (1A) is at any time wholly or partly recovered by the vendor, or becomes recoverable by him by virtue of the reassignment to him of the underlying debt, that portion of the amount of such deduction as bears to the full amount of such deduction the same ratio as the amount of the irrecoverable debt recovered or reassigned bears to the debt written off shall be deemed to be tax charged in relation to a taxable supply made during the tax period in which the debt is wholly or partly recovered or assigned to such vendor.''.

(2) Subsection (1) comes into operation on 1 April 2025.

Amendment of section 50 of Act 89 of 1991, as amended by section 38 of Act 136 of 1991, section 271 of Act 28 of 2011, section 13 of Act 22 of 2018 and section 72 of Act 34 of 2019

50. (1) Section 50 of the Value-Added Tax Act, 1991, is hereby amended by the substitution for subsection (2A) of the following subsection:

''(2A) The implementing agency—

(a) shall be required to make an application to the Commissioner to register the activities referred to in the proviso to subsection (1) as part of a single separate branch of the vendor in respect of such project registered in terms of section 23 on or after 01 January 2025; or

(b) may, in respect of any of the activities referred to in the proviso to subsection (1) registered with the Commissioner on or before 31 December 2024—

(i) retain an existing and separate branch registration; or

(ii) make an application to the Commissioner to register the foreign donor funded project that has been registered separately as a single separate branch of the vendor:

Provided that such implementing agency shall maintain and retain (in addition to the other requirements under this Act)—

(i) an independent system of accounting for each foreign donor funded project;

(ii) an annual list of all the registered projects along with the respective foreign donor funded project reference numbers, their commencement and end dates, that are accounted for under such separately registered single branch during the financial year;

(iii) a reconciliation of the values submitted for each tax period of the separately registered branch with the values of each foreign donor funded project respectively; and

(iv) written confirmation from the Minister that the foreign donor funded project is a project established in terms of an official development assistance agreement, as contemplated in the definition of 'foreign donor funded project' in section 1(1) for each foreign donor funded project accounted for under the separately registered branch.''.

(2) Subsection (1) comes into operation on 1 January 2025.

Amendment of section 54 of Act 89 of 1991, as amended by section 40 of Act 136 of 1991, section 34 of Act 136 of 1992, section 25 of Act 20 of 1994, section 46 of Act 27 of 1997, section 100 of Act 53 of 1999, section 51 of Act 16 of 2004, section 102 of Act 43 of 2014, section 34 of Act 44 of 2014, section 12 of Act 21 of 2018 and section 52 of Act 17 of 2023

51. (1) Section 54 of the Value-Added Tax Act, 1991, is hereby amended by the substitution for subsection (2B) of the following subsection:

''(2B)*(a)* For the purposes of this Act, where electronic services are supplied by an intermediary, who is acting on behalf of another person who is the principal for the purposes of that supply, and—

(i) the intermediary is a vendor;

(ii) the principal is not a resident of the Republic **[and is not a registered vendor]**; and

(iii) the electronic services are supplied or to be supplied by the principal to a person in the Republic,

that supply shall be deemed to be made by such intermediary and not by that principal where the principal and intermediary agree, in writing, to treat that supply as if made by the intermediary.

(b) Subject to the provisions of section 46, where the intermediary and principal agree to treat that supply as contemplated in paragraph *(a)* as if made by the intermediary, the principal and intermediary shall be held jointly and severally liable for performing the duties of the principal or intermediary under this Act and paying the tax imposed by this Act in respect of the taxable supplies made under such agreement.''.

(2) Subsection (1) comes into operation on 1 April 2025.

Amendment of Schedule 1 to Act 89 of 1991, as amended by section 48 of Act 136 of 1991, section 43 of Act 136 of 1992, Government Notice No. 2244 of 31 July 1992, section 44 of Act 97 of 1993, Government Notice No. 1955 of 7 October 1993, section 32 of Act 20 of 1994, section 32 of Act 37 of 1996, section 53 of Act 27 of 1997, substituted by section 177 of Act 60 of 2001, amended by section 58 of Act 30 of 2002, section 121 of Act 74 of 2002, Government Notice No. R.111 in Government *Gazette* 24274 of 17 January 2003, section 189 of Act 45 of 2003, sections 52 to 55 of Act 16 of 2004, section 108 of Act 32 of 2004, sections 111 to 123 of Act 31 of 2005, sections 52 to 53 of Act 9 of 2006, section 89 of Act 20 of 2006, section 109 of Act 8 of 2007, section 85 of Act 8 of 2007, Government Notice No. R.958 in Government *Gazette* 30370 of 12 October 2007, section 107 of Act 35 of 2007, Government Notice No. R.766 in Government *Gazette* 32416 of 24 July 2009, Government Notices Nos. R.154 and R.157 in Government *Gazette* 34046 of 1 March 2011, section 143 of Act 24 of 2011, Government Notice No. R.187 in Government *Gazette* 35102 of 2 March 2012, Government Notice No. R.506 in Government *Gazette* 35481 of 6 July 2012, Government Notice No. 995 in Government *Gazette* 35932 of 7 December 2012, Government Notice No. R.1072 in Government *Gazette* 36002 of 14 December 2012, section 181 of Act 31 of 2013, Government Notice No. R.288 in Government *Gazette* 37554 of 17 April 2014, section 107 of Act 43 of 2014, Government Notice No. R.723 in Government *Gazette* 39100 of 14 August 2015, Government Notice No. R.558 in Government *Gazette* 40004 of 20 May 2016, section 87 of Act 15 of 2016, section 31 of Act 16 of 2016, section 74 of Act 34 of 2019, Government Notice No. R.226 in Government *Gazette* 43051 of 28 February 2020, Government Notice No. R.1069 in Government *Gazette* 43781 of 9 October 2020, section 25 of Act 16 of 2022, Government Notice R.3780 in Government *Gazette* 49104 of 11 August 2023 and section 53 of Act 17 of 2023

52. (1) Schedule 1 of the Value-Added Tax Act, 1991, is hereby amended—

(a) by the substitution in paragraph 7 in subparagraph *(c)*(i) for subitem *(dd)* of the following subitem:

"*(dd)* 195.10.17 and 195.13.17: Distillate fuel, as defined in Additional Note 1*(g)* to Chapter 27 in Part 1 of Schedule No. 1 to the Customs and Excise Act;"; and

(b) by the substitution in paragraph 7 in subparagraph *(c)* for item (iv) of the following item:

"(iv) illuminating kerosene (marked) as defined in Additional Note 1*(f)* to Chapter 27 in Part 1 of Schedule No. 1 to the Customs and Excise Act, referred to in fuel levy **[item]** items no. 195.10.13 and 195.13.13 in Part 5A of Schedule No. 1 to the Customs and Excise Act and which are not mixed or blended with another substance; or".

(2) Subsection (1) is deemed to have come into operation retrospectively on 1 January 2002.

Amendment of section 1 of Act 25 of 2007, as amended by section 145 of Act 24 of 2011, section 153 of Act 22 of 2012, section 110 of Act 43 of 2014, section 137 of Act 25 of 2015, section 90 of Act 15 of 2016, section 90 of Act 17 of 2017, section 76 of Act 34 of 2019, section 67 of Act 23 of 2020 and section 56 of Act 20 of 2021

53. Section 1 of the Securities Transfer Tax Act, 2007, is hereby amended by the substitution in subsection (1) in the definition of "collateral arrangement" for subparagraph (i) of the exclusion of the following subparagraph:

"(i) has not transferred the identical share or bond contemplated in paragraph **[*(b)*]** *(c)* to the transferor within the period referred to in that paragraph unless such failure to return such identical share or bond is due to an arrangement that is announced and released as a corporate action as contemplated in the JSE Limited Listings Requirements in the SENS (Stock Exchange News Service) as defined in the JSE Limited Listings Requirements or a corporate action as contemplated in the listings requirements of any other exchange, licenced under the Financial Markets Act, that are substantially the same as the requirements prescribed by the JSE Limited Listings Requirements, where that corporate action complies with the applicable requirements of that exchange; or".

Amendment of section 8 of Act 25 of 2007, as amended by section 73 of Act 3 of 2008, section 127 of Act 60 of 2008, section 97 of Act 17 of 2009, section 127 of Act 7 of 2010, section 148 of Act 24 of 2011, section 155 of Act 22 of 2012, section 183 of Act 31 of 2013, section 138 of Act 25 of 2015, section 15 of Act 22 of 2018, section 68 of Act 23 of 2020 and section 57 of Act 20 of 2021

54. Section 8 of the Securities Transfer Tax Act, 2007, is hereby amended by the substitution in subsection (1) for paragraph *(h)* of the following paragraph:

''*(h)* if the person to whom that security is transferred is an heir or a legatee who has acquired that security *ab* **[*intestatio*]** *intestato* or by way of testamentary succession or as a result of a redistribution of the assets of a deceased estate in the process of liquidation;''.

Amendment of section 6A of Act 28 of 2008, as inserted by section 134 of Act 7 of 2010 and substituted by section 185 of Act 31 of 2013 and amended by section 96 of Act 23 of 2018

55. Section 6A of the Mineral and Petroleum Resources Royalty Act, 2008, is hereby amended—

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

''*(a)* is transferred below the condition specified in Schedule 2 for that mineral resource, the mineral resource must be treated as **[having]** if that mineral resource had been **[brought to]** transferred in the condition specified for that mineral resource; or''; and

(b) by the substitution in subsection (1A) for paragraph *(a)* of the following paragraph:

''*(a)* in a condition below the minimum of the range of conditions specified in Schedule 2 for that mineral resource, the mineral resource must be treated as **[having]** if that mineral resource had been **[brought to]** transferred at the minimum of the range of conditions specified for that mineral resource;''.

Amendment of section 1 of Act 26 of 2013, as amended by section 112 of Act 43 of 2014, section 93 of Act 15 of 2016, section 101 of Act 23 of 2018, section 78 of Act 34 of 2019, section 2 of Act 13 of 2020 and section 58 of Act 20 of 2021

56. (1) Section 1 of the Employment Tax Incentive Act, 2013, is hereby amended by the substitution in subsection (1) in the definition of ''monthly remuneration'' for the proviso of the following proviso:

'': Provided that in determining the remuneration paid or payable, an amount other than a cash payment **[that is due and payable]** to the employee after **[having accounted for]** adding back deductions in terms of section 34(1)*(b)* of the Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997), must be disregarded;''.

(2) Subsection (1) is deemed to have come into operation on 1 March 2025 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 5 of Act 26 of 2013, as amended by section 114 of Act 43 of 2014

57. (1) Section 5 of the Employment Tax Incentive Act, 2013, is hereby amended—

(a) by the substitution for the heading of the following heading:

''**Penalty and disqualification [in respect of displacement]**''; and

(b) by the addition after subsection (2) of the following subsection:

''(3) If an employer receives the employment tax incentive in respect of an amount that must be disregarded in terms of the proviso to the definition of 'monthly remuneration' in section 1(1), that employer must pay a penalty to the South African Revenue Service in an amount equal to 100 per cent of the employment tax incentive received in respect of that employee in respect of each month that the employer received the employment tax incentive relating to the amount that should have been so disregarded.''.

(2) Subsection (1) comes into operation on 1 March 2025 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 13 of Act 31 of 2013, as amended by section 144 of Act 25 of 2015, section 98 of Act 15 of 2016, section 93 of Act 17 of 2017, section 98 of Act 23 of 2018, section 82 of Act 34 of 2019, section 71 of Act 23 of 2020, section 60 of Act 20 of 2021, section 35 of Act 20 of 2022 and section 60 of Act 17 of 2023

58. (1) Section 13 of the Taxation Laws Amendment Act, 2013, is hereby amended by the substitution for subsection (2) of the following subsection:

''(2) Subsection (1) comes into operation on 1 January **[2025]** 2026 and applies in respect of amounts incurred on or after that date.''.

(2) Subsection (1) is deemed to have come into operation on 12 December 2013.

Amendment of section 15 of Act 31 of 2013, as amended by section 145 of Act 25 of 2015, section 99 of Act 15 of 2016, section 94 of Act 17 of 2017, section 99 of Act 23 of 2018, section 83 of Act 34 of 2019, section 72 of Act 23 of 2020, section 61 of Act 20 of 2021, section 36 of Act 20 of 2022 and section 61 of Act 17 of 2023

59. (1) Section 15 of the Taxation Laws Amendment Act, 2013, is hereby amended by the substitution for subsection (2) of the following subsection:

''(2) Subsection (1) comes into operation on 1 January **[2025]** 2026 and applies in respect of amounts incurred on or after that date.''.

(2) Subsection (1) is deemed to have come into operation on 12 December 2013.

Amendment of section 62 of Act 31 of 2013, as amended by section 148 of Act 25 of 2015, section 100 of Act 15 of 2016, section 100 of Act 23 of 2018, section 84 of Act 34 of 2019, section 73 of Act 23 of 2020, section 62 of Act 20 of 2021, section 37 of Act 20 of 2022 and section 63 of Act 17 of 2023

60. (1) Section 62 of the Taxation Laws Amendment Act, 2013, is hereby amended by the substitution for subsection (2) of the following subsection:

''(2) Subsection (1) comes into operation on 1 January **[2025]** 2026 and applies in respect of amounts of interest incurred on or after that date.''.

(2) Subsection (1) is deemed to have come into operation on 12 December 2013.

Amendment of section 106 of Act 23 of 2018

61. Section 106 of the Taxation Laws Amendment Act, 2018, is hereby substituted for the following section:

''**106**. Section 18 of the Taxation Laws Amendment Act, 2015, is hereby amended by the substitution in subsection (1) for paragraph *(a)* of the following paragraph:

'*(a)* by the substitution in paragraph *(e)* for the words preceding the proviso of the following words:

'save as provided in paragraph 12(2) of the First Schedule, such sum as **[the Commissioner may think just and reasonable as representing]** represents the amount by which the value of any machinery, plant, implements, utensils and articles (other than machinery, plant, implements, utensils and articles in respect of which a deduction may be granted under section 12B, 12BA, 12C, 12DA, 12E(1), 12U or 37B) owned by the taxpayer or acquired by the taxpayer as purchaser in terms of an agreement contemplated in paragraph (a) of the definition of 'instalment credit agreement' in section 1 of the Value-Added Tax Act and used by the taxpayer for the purpose of his or her trade has been diminished by reason of wear and tear or depreciation during the year of assessment, which amount must be determined on the basis of the periods of use listed for this purpose in a public notice issued by the Commissioner, or a shorter period of use approved by the Commissioner on application in the prescribed form and manner by the taxpayer:';''.

Amendment of section 6 of Act 15 of 2019, as amended by section 93 of Act 34 of 2019, section 77 of Act 23 of 2020, section 63 of Act 20 of 2021 and section 39 of Act 20 of 2022

62. (1) Section 6 of the Carbon Tax Act, 2019, is hereby amended by the addition after subsection (4) of the following subsection:

''(5) For the purposes of this section, 'renewable electricity purchased under a power purchase agreement' includes renewable electricity purchased under an agreement ceded to the National Transmission Company of South Africa.''.

(2) Subsection (1) is deemed to have come into operation on 1 January 2024.

Amendment of Schedule 1 to Act 15 of 2019, as amended by section 98 of Act 34 of 2019 and section 67 of Act 17 of 2023

63. (1) Schedule 1 to the Carbon Tax Act, 2019, is hereby amended—

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

"TABLE 1

FUEL COMBUSTION EMISSION FACTORS

STATIONARY SOURCE CATEGORY

				DEFAULT NET CALORIFIC VALUE (TJ/TONNE)		
FUEL TYPE	*CO_2 (KGCO_2/TJ)*	*CH_4 (KGCH_4/TJ)*	*N_2O (KGN_2O/TJ)*	*NET CALORIFIC VALUE*	*LOWER LIMIT OF THE 95% CONFI-DENCE INTERVAL*	*UPPER LIMIT OF THE 95% CONFI-DENCE INTERVAL*
ACETYLENE	67 870	N/A	N/A	0.049818	N/A	N/A
ANTHRACITE	98 300	1	1.5	0.0267	0.0216	0.0322
AVIATION GASOLINE	**[70 000]**65 752	3	0.6	**[0.0443]**0.0475	0.0425	**[0.0448]** 0.0475
BIODIESEL	0	3	0.6	0.027	0.0136	0.054
BIOGASOLINE	0	3	0.6	0.027	0.0136	0.054
BITUMEN	80 700	3	0.6	0.0402	0.0335	0.0412
BLAST FURNACE GAS	260 000	1	0.1	0.00247	0.0012	0.005
[DIESEL]	**[74 100]**	**[3]**	**[0.6]**	**[0.043]**	**[0.0414]**	**[0.0433]**
BROWN COAL BRIQUETTES	97 500	1	1.5	0.0207	0.0151	0.032
CHARCOAL	0	200	4	0.0295	0.0149	0.058
COAL TAR	80 700	1	1.5	0.028	0.0141	0.055
COKE OVEN COKE AND LIGNITE COKE	107 000	1	1.5	0.0282	0.0251	0.0302
COKE OVEN GAS	44 400	1	0.1	0.0387	0.0196	0.077
COKING COAL	94 600	1	1.5	0.0282	0.024	0.031
CRUDE OIL	73 300	3	0.6	0.0438	0.0401	0.0448
DIESEL	**[74 100]**74 638	3	0.6	**[0.0381]**0.043	**[0]**0.0414	**[0]**0.0433
ETHANE	61 600	1	0.1	0.0464	0.0449	0.0488
GAS COKE	107 000	1	0.1	0.0173	0.0251	0.0302
GAS WORKS GAS	44 400	1	0.1	0.0387	0.0196	0.077
INDUSTRIAL WASTES	143 000	30	4	N/A	N/A	N/A
JET GASOLINE	70 000	3	0.6	0.0443	0.0425	0.0448
JET KEROSENE	**[71 500]**73 463	3	0.6	**[0.0441]**0.0433	0.042	0.045
LANDFILL GAS	0	1	0.1	0.0504	0.0254	0.1
LIGNITE	101 000	1	1.5	0.0119	0.0055	0.0216
LIQUEFIED PETROLEUM GASES	**[63 100]**64 852	1	0.1	**[0.0473]**0.0463	0.0448	0.0522
LUBRICANTS	73 300	3	0.6	0.0402	0.0335	0.0423
METHANE RICH GAS (MRG)	54 888	1	0.1	0.048	0.0465	0.0504
MUNICIPAL WASTES (BIOMASS FRACTION)	0	30	4	0.0116	0.0068	0.018
MUNICIPAL WASTES (NON BIOMASS FRACTION)	91 700	30	4	0.01	0.007	0.018
NAPHTHA	73 700	3	0.6	0.0445	0.0418	0.0465
NATURAL GAS	56 100	1	0.1	0.048	0.0465	0.0504
NATURAL GAS LIQUIDS	64 200	3	0.6	0.041	0.0409	0.0469
OIL SHALE AND TAR SANDS	107 000	1	1.5	0.0089	0.0071	0.0111
ORIMULSION	77 000	3	0.6	0.0275	0.0275	0.0283
OTHER BIOGAS	0	1	0.1	0.0504	0.0254	0.1
OTHER BITUMINOUS COAL	94 600	1	1.5	**[0.0243]**0.0192	**[0.0199]**0.0192	0.0305
OTHER KEROSENE	71 900	3	0.6	0.037	0	0

				DEFAULT NET CALORIFIC VALUE (TJ/TONNE)		
FUEL TYPE	*CO_2 (KGCO_2/TJ)*	*CH_4 (KGCH_4/TJ)*	*N_2O (KGN_2O/TJ)*	*NET CALORIFIC VALUE*	*LOWER LIMIT OF THE 95% CONFI-DENCE INTERVAL*	*UPPER LIMIT OF THE 95% CONFI-DENCE INTERVAL*
OTHER LIQUID BIOFUELS	0	3	0.6	0.0274	0.0138	0.054
OTHER PETRO-LEUM PROD-UCTS	73 300	3	0.6	0.0402	0.0337	0.0482
OTHER PRI-MARY SOLID BIOMASS	0	30	4	0.0116	0.0059	0.023
OXYGEN STEEL FURNACE GAS	182 000	1	0.1	0.00706	0.0038	0.015
PARAFFIN	**[71 900]**64 640	3	0.6	**[0.0438]**0.049	0.0424	0.0452]0.049
PARAFFIN WAXES	73 300	3	0.6	0.0402	0.0337	0.0482
PATENT FUEL	97 500	1	1.5	0.0207	0.0151	0.032
PEAT	0	1	1.5	0.00976	0.0078	0.0125
PETROL	**[69 300]**72 430	3	0.6	**[0.0443]**0.0439	0.0425	0.0448
PETROLEUM COKE	97 500	3	0.6	0.0325	0.0297	0.0419
REFINERY FEED-STOCK	73 300	3	0.6	0.043	0.0363	0.0464
REFINERY GAS	57 600	1	0.1	0.0495	0.0475	0.0506
REFUSE DERIVED FUEL	83 000	30	4	0.01	0.007	0.018
RESIDUAL FUEL OIL (HEAVY FUEL OIL)	**[77 400]**73 090	3	0.6	**[0.0404]**0.043	0.0398	0.0443
SAWDUST	0	30	4	0.0116	0.0059	0.023
SHALE OIL	73 300	3	0.6	0.0381	0.0321	0.0452
SLUDGE GAS	0	1	0.1	0.0504	0.0254	0.1
SUB-BITUMI-NOUS COAL	96 100	1	1.5	0.0192	0.0115	0.026
SULPHITE LYES (BLACK LI-QUOR)	0	3	2	0.0118	0.0059	0.023
WASTE OILS	73 300	30	4	0.0402	0.0203	0.08
WASTE TYRES	85 000	1	1.5	0.0325	N/A	N/A
WHITE SPIRIT AND SBP	73 300	3	0.6	0.0402	0.0337	0.0482
WOOD/WOOD WASTE	0	30	4	0.0156	0.0079	0.031

NON-STATIONARY/MOBILE SOURCE CATEGORY ACTIVITY

				DEFAULT NET CALORIFIC VALUE (TJ/TONNE)		
FUEL TYPE	*CO_2 (KGCO_2/TJ)*	*CH_4 (KGCH_4/TJ)*	*N_2O (KGN_2O/TJ)*	*NET CALORIFIC VALUE*	*LOWER LIMIT OF THE 95% CONFI-DENCE INTERVAL*	*UPPER LIMIT OF THE 95% CONFI-DENCE INTERVAL*
AVIATION GASOLINE	**[70 000]**65 752	[3]0.5	[0.6]2	[0.0443]0.0475	0.0425	**[0.0448]0.0475**
BIODIESEL	0	4.15	28.6	0.027	N/A	N/A
BIOGASOLINE	0	3.5	5.7	0.027	N/A	N/A
COMPRESSED NATURAL GAS	56 100	92	3	N/A	N/A	N/A
DIESEL	[74 100]74 638	4.15	28.6	[0.0381]0.0430	0	0
DIESEL — (OCEAN-GOING SHIPS)	74 100	7	2	0.0381	0	0
DIESEL — OFFROAD	74 100	3.9	3.9	0.0381	N/A	N/A
DIESEL — RAIL	74 100	[4.5]4.15	28.6	0.0381	0	0
JET KEROSENE	**[71 500]**73 463	0.5	2	**[0.0441]**0.0433	0.042	0.045
KEROSENE	71 500	3	0.6	0.037	0	0
LIQUIFIED NATURAL GASES	56 100	92	3	N/A	N/A	N/A
LIQUEFIED PE-TROLEUM GASES	**[63 100]**64 852	62	0.2	**[0.0473]**0.0463	0.0448	0.0522
LUBRICANTS	73 300	3	0.6	0.0402	0.0335	0.0423
METHANE RICH GAS (MRG)	54 888	92	3	0.048	0.0465	0.0504
NATURAL GAS	56 100	92	3	0.048	0.0465	0.0504
(PARAFFIN) OTHER KEROSENE	**[71 900]**64 640	3	0.6	**[0.0438]**0.0490	0.0424	**[0.0452]**0.0490
OTHER PETROLEUM PRODUCTS	73 300	3	0.6	0.0402	0.0337	0.0482
PARAFFIN WAXES	73 300	3	0.6	0.0402	0.0337	0.0482
PETROL	**[69 300]**72 430	3.5	5.7	**[0.0443]**0.0439	0.0425	0.0448
PETROL-OXIDA-TION CATALYST	69 300	25	8	0.0443	N/A	N/A
PETROL-UNCON-TROLLED	69 300	33	3.2	0.0443	N/A	N/A
REFINERY GAS	57 600	1	0.1	0.0495	0.0475	0.0506
REFUSE DERIVED FUEL	83 000	N/A	N/A	N/A	N/A	N/A
RESIDUAL FUEL OIL— (HEAVY FUEL OIL)	**[77 400]**73 090	7	2	**[0.0404]**0.043	0.0398	**[0.0417]**0.043
SAWDUST	0	N/A	N/A	N/A	N/A	N/A
SUB-BITUMI-NOUS COAL	96 100	2	1.5	0.0192	0.0115	0.026
WASTE TYRES	85 000	N/A	N/A	N/A	N/A	N/A
WHITE SPIRIT AND SBP	73 300	3	0.6	0.0402	0.0337	0.0482

(b) by the substitution for Table 2 of the following Table:

''Table 2

FUGITIVE EMMISSION FACTORS

IPCC Code	*SOURCE CATEGORY ACTIVITY*	*Fugitive*	*Emission*	*Factors*
		CO_2	CH_4	N_2O
1B1	**SOLID FUELS (M3/TONNE)**			
1B1a	**COAL MINING AND HANDLING**			
1B1ai	UNDERGROUND COAL MINING	**[0.000077]** 0.077	**[0.00077]** 0.77	
	UNDERGROUND POST-MINING (HANDLING & TRANSPORT)	**[0.000018]** 0.018	**[0.00018]** 0.18	
1B1aii	SURFACE COAL MINING	N/A	0	
	SURFACE POST-MINING (STORAGE AND TRANSPORT)	N/A	0	
1B1C	**SOLID FUEL TRANSFORMATION**			
1B1ci	COKE PRODUCTION (per coke produced) (tonne GHG/tonne coke)	ND	$4.9*10^{-8}$	ND
1B1c2	CHARCOAL PRODUCTION (FUEL WOOD INPUT) ($kgCH_4/TJ$)	N/A	**[0.300]** 300	
	CHARCOAL PRODUCTION (CHARCOAL PRODUCED) ($kgCH_4/TJ$)	N/A	**[1.000]** 1000	
1B1cii	CHARCOAL PRODUCTION (PER CHARCOAL PRODUCED) (TONNE GHG/TONNE CHARCOAL)	0	0.0000403	$8*^{10-8}$
1B1Ciii	BIOCHAR PRODUCTION (PER BIOCHAR PRODUCED) (TONNE GHG/TONNE BIOCHAR)	0	0.00003	ND
1B1civ	**COAL TO LIQUIDS (tonne GHG/TJ total output)**			
1B1civ	COAL TO LIQUIDS – SYNGAS	55	0.0061	0
1B1civ	COAL TO LIQUIDS – SYNGAS/H_2	55	0.0061	0
1B1civ	COAL TO LIQUIDS – SNG (SYNTHETIC NATURAL GAS)	78	0.0061	0
1B1civ	GAS TO LIQUIDS (TONNE GHG/TJ NATURAL GAS INPUT)	12.73	ND	ND
1B2	**OIL AND NATURAL GAS ($Gg/10^3M^3$ TOTAL OIL PRODUCTION)**			
	OIL TRANSPORT (TONNE/10^3M^3 OIL LOADED ONTO TANKER SHIPS)			
1B2ai	LOADING OFFSHORE PRODUCTION ON TANKER SHIPS – WITHOUT VRU – ALL	ND	0.065	ND
1B2ai	LOADING OFFSHORE PRODUCTION ON TANKER SHIPS – WITH VRU – ALL	ND	0.040 N	D
1B2a	OIL REFINING (TONNE/10^3M^3 OIL REFINED)			
1B2aiii4	All (THE FACTORS INCLUDE FUGITIVE EQUIPMENT LEAKS, FLARING, STORAGE OF CRUDE OIL, HANDLING AND CALCINATION)	5.85	$2.6*10^{-6}$ to $4.1*10^{-5}$	$8.77*10^{-5}$
1B2b	NATURAL GAS ($Gg/10^3M^3$ TOTAL OIL PRODUCTION)			
1B2b	***FLARING AND VENTING***			
1.B.2.b.ii	WELL DRILLING	0.0000001	0.000000033	ND
1.B.2.b.ii	WELL TESTING	0.000009	0.000000051	0.000000000068
1.B.2.b.ii	WELL SERVICING	0.0000000019	0.00000011	ND
1B2b	***GAS PRODUCTION*** **($Gg/10^6M^3$ TOTAL OIL PRODUCTION)**			
1.B.2.b.iii.2	FUGITIVES	$1.40E^{-05}$ to $8.20E^{-05}$	$3.80E^{-04}$ to $2.30E^{-03}$	N/A
1.B.2.b.ii	FLARING	0.0012	0.00000076	0.000000021
	GAS PROCESSING **($Gg/10^6M^3$ RAW GAS FEED)**			
1.B.2.b.iii.3	SWEET GAS PLANTS—FUGITIVES	$1.50E^{-04}$ to $3.20E^{-04}$	$4.80E^{-04}$ to $1.03E^{-03}$	N/A
1.B.2.b.ii	SWEET GAS PLANTS—FLARING	0.0018	0.0000012	0.000000025
1.B.2.b.iii.3	SOUR GAS PLANTS—FUGITIVES	0.0000079	0.000097	N/A
1.B.2.b.ii	SOUR GAS PLANTS—FLARING	0.0036	0.0000024	0.000000054
1.B.2.b.i	SOUR GAS PLANTS —RAW CO_2 VENTING	0.063	N/A	N/A
1.B.2.b.iii.3	DEEP CUT EXTRACTION—FUGITIVES	0.0000016	0.000011	N/A
1.B.2.b.ii	DEEP CUT EXTRACTION—FLARING	0.00011	0.000000072	0.000000012
1.B.2.b.iii.3	DEFAULT—FUGITIVES	$1.20E^{-05}$ to $3.20E^{-04}$	$1.50E^{-04}$ to $1.03E^{-03}$	N/A

IPCC Code	*SOURCE CATEGORY ACTIVITY*	*Fugitive*	*Emission*	*Factors*
		CO_2	CH_4	N_2O
1.B.2.b.ii	DEFAULT—FLARING	0.003	0.000002	0.000000033
1.B.2.b.i	DEFAULT—RAW CO_2 VENTING	0.04	N/A	N/A
1B2b	***GAS TRANSMISSION & STORAGE* (Gg-CO_2/year/km**			
1.B.2.b.iii.4	TRANSMISSION—FUGITIVES	**[0.000000016]** 0. 000016	**[0.0000025]** 0. 0025	N/A
1.B.2.b.i	TRANSMISSION—VENTING	**[0.0000000085]** 0.0000085	**[0.0000010]** 0. 0010	N/A
1.B.2.b.iii.4	STORAGE (**Gg-CO_2/year/M^3**)		**[2.32E^{-12}]** 2.32E-9	ND
1B2b	***GAS DISTRIBUTION* (Gg/ 10^6M^3 OF UTILITY SALES)**			
1.B.2.b.iii.5	ALL	0.000051	0.0011	ND
1B2b	***NATURAL GAS LIQUIDS TRANSPORT* (Gg/ 10^3M^3 CONDENSATE AND PENTANES PLUS)**			
1.B.2.a.iii.3	CONDENSATE	0.0000000072	0.00000011	
1.B.2.a.iii.3	LIQUEFIED PETROLEUM GAS (**Gg/10^3M^3 LPG**)	0.00000043	N/A	2.2 0E^{-12}
1.B.2.a.iii.3	LIQUEFIED NATURAL GAS **(Gg/ 10^6M^3 MARKETABLE GAS)**	ND	ND	ND
1B2a	OIL			
1B2a	***OIL PRODUCTION*** (Gg/ 10^3M^3 CONVENTIONAL OIL PRODUCTION)			
1.B.2.a.iii.2	CONVENTIONAL OIL—FUGITIVES (ONSHORE)	1.10E^{-10} to 2.60E^{-07}	1.50E^{-09} to 3.60E^{-06}	N/A
1.B.2.a.iii.2	CONVENTIONAL OIL—FUGITIVES (OFFSHORE)	0.000000000043	0.00000000059	N/A
1.B.2.a.i	CONVENTIONAL OIL—VENTING	0.000000095	0.00000072	N/A
1.B.2.a.ii	CONVENTIONAL OIL—FLARING	0.000041	0.000000025	0.00000000064
1B2a	***OIL PRODUCTION* (Gg/10^3M^3 HEAVY OIL PRODUCTION)**			
1.B.2.a.iii.2	HEAVY OIL/COLD BITUMEN—FUGITIVES	0.00000054	0.0000079	N/A
1.B.2.a.i	HEAVY OIL/COLD BITUMEN—VENTING	0.0000053	0.000017	N/A
1.B.2.a.ii	HEAVY OIL/COLD BITUMEN—FLARING	0.000022	0.00000014	0.00000000046
1B2a	***OIL PRODUCTION* (Gg/10^3M^3 THERMAL BITUMEN PRODUCTION)**			
1.B.2.a.iii.2	THERMAL OIL PRODUCTION—FUGITIVES	0.000000029	0.00000018	N/A
1.B.2.a.i	THERMAL OIL PRODUCTION—VENTING	0.00000022	0.0000035	N/A
1.B.2.a.ii	THERMAL OIL PRODUCTION—FLARING	0.000027	0.000000016	0.00000000024
1B2a	***OIL PRODUCTION* (Gg/ 10^3M^3 SYNTHETIC CRUDE PRODUCTION FROM OILSANDS)**			
1.B.2.a.iii.2	SYNTHETIC CRUDE (FROM OILSANDS)	ND	0.0000023	ND
1.B.2.a.iii.2	SYNTHETIC CRUDE (OIL SHALE)	ND	ND	ND
1B2a	***OIL PRODUCTION*** (Gg/10^3M^3 TOTAL OIL PRODUCTION)			
1.B.2.a.iii.2	DEFAULT TOTAL—FUGITIVES	0.00000028	0.0000022	N/A
1.B.2.a.i	DEFAULT TOTAL—VENTING	0.0000018	0.0000087	N/A
1.B.2.a.ii	DEFAULT TOTAL—FLARING	0.000034	0.000000021	0.00000000054
1B2a	***OIL UPGRADING* (Gg/ 10^3M^3 OIL UPGRADED)**			
1.B.2.a.iii.2	ALL	ND	ND	ND
1B2a	***OIL TRANSPORT* (Gg/ 10^3M^3 OIL TRANSPORTED BY PIPELINE)**			
1.B.2.a.iii.3	PIPELINES	0.00000000049	0.0000000054	N/A
1B2a	***OIL TRANSPORT* (Gg/ 10^3M^3 OIL TRANSPORTED BY TANKER TRUCK)**			
1.B.2.a.i	TANKER TRUCKS AND RAIL CARS—VENTING	0.0000000023	0.000000025	N/A
	***OIL TRANSPORT* (Gg/ 10^3M^3 OIL TRANSPORTED BY TANKER SHIPS)**			
1.B.2.a.i	LOADING OFF-SHORE PRODUCTION ON TANKER SHIPS—VENTING	ND	ND	ND
1B2a	***OIL REFINING* (Gg/10^3M^3 OIL REFINED)**			
1.B.2.a.iii.4	ALL		2.60E^{-09} to 4.10E^{-08}	ND

(2) Subsection (1)*(a)* is deemed to have come into operation on 1 January 2024.

(3) Subsection (1)*(b)* as far as it relates to: IPCC Codes 1B1cii (Charcoal production), 1B1ciii (Biochar production), 1B1ci (Coke production), 1B1civ (Coal to Liquids – Syngas; Coal to Liquids – Syngas/H2; Coal to Liquids—SNG synthetic natural gas, and Gas to liquids), 1.B.2.a.i (Loading Off-Shore Production On Tanker Ships – Without

VRU – All; Loading Off-Shore Production On Tanker Ships—With VRU—All), and 1.B.2.a.iii.4 (All, the factors include fugitive equipment leaks, flaring, storage of crude oil, handling and calcination) is deemed to have come into operation on 1 January 2024.

(4) Subsection (1)(*b*) amendments to Table 2 of Schedule 1 that are not provided for under subsection (3) are deemed to have come into operation on 1 June 2019.

Amendment of Schedule 2 to Act 15 of 2019, as amended by section 99 of Act 34 of 2019 and section 65 of Act 20 of 2021

64. (1) Schedule 2 of the Carbon Tax Act, 2019, is hereby amended—

(a) by the insertion after the line starting with IPCC Code ''1B1c3'' of the following:

1B1civ	**Coal to liquids**									
1B1civ	Coal to liquids – syngas	none	60	0	10	10	5	5	5	95
1B1civ	Coal to liquids – syngas(H_2)	none	60	0	10	10	5	5	5	95
1B1civ	Coal to liquids – SNG (synthetic natural gas)	none	60	0	10	10	5	5	5	95
1B1civ	Gas to liquids (Tonne Ghg/Tj Natural Gas Input)	none	60	0	10	10	5	5	5	95

(2) Subsection (1) is deemed to have come into operation on 1 January 2024.

Amendment of section 14 of Act 20 of 2021

65. (1) Section 14 of the Taxation Laws Amendment Act, 2021, is hereby amended by the substitution for subsection (1) of the following subsection:

''(1) Section 12H of the Income Tax Act, 1962 is hereby amended by the substitution in subsection (1) in the definition of 'registered learnership agreement' for paragraph *(b)* of the following paragraph:

'*(b)* entered into between a learner and an employer before 1 April **[2022]** 2027;' '.

(2) Subsection (1) is deemed to have come into operation on 1 April 2022 and applies in respect of learnership agreements entered into on or after that date.

Amendment of section 12 of Act 17 of 2023

66. (1) Section 12 of the Taxation Laws Amendment Act, 2023, is hereby amended—

(a) by the substitution in subsection (1) for paragraphs *(e)* and *(f)*, respectively, of the following paragraphs:

''*(e)* by the substitution in subsection (1) for paragraph *(d)* **[for]** of the following paragraph:

'*(d)* creating or developing a multisource pharmaceutical product, as defined in the World Health Organisation Technical Report Series, No. 937, 2006 Annex 7 Multisource (generic) pharmaceutical products: guidelines on registration requirements to establish interchangeability issued by the World Health Organisation, conforming to **[such]** Regulation 346 of 23 April 2015 and any requirements as must be prescribed by regulations made by the Minister after consultation with the Minister responsible for Science and **[Technology]** Innovation; or';

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

'*(e)* conducting a clinical trial as defined in Appendix F of the Guidelines for good practice in the conduct of clinical trials with human participants in South Africa issued by the Department of Health (2006), conforming to **[such]** Regulation 344 of 23 April 2015 and any requirements as must be prescribed by regulations made by the Minister after consultation with the Minister responsible for Science and **[Technology]** Innovation;';''; and

(b) by the substitution in subsection (1) for paragraphs *(z*D*)* and *(z*E*)*, respectively, of the following paragraphs:

"*(z*D*)* by the substitution for subsection (19) of the following subsection:

'(19)The Commissioner may, notwithstanding the provisions of sections 99(1) and 100 of the Tax Administration Act, raise an additional assessment for any year of assessment with respect to a deduction in respect of scientific or technological research and development which has been allowed, where approval has been withdrawn in terms of subsection (10).';

*(z*E*)* by the substitution for subsection (20) of the following subsection:

'(20) *(a)* A taxpayer may, notwithstanding **[Chapter 8]** the provisions of sections 93, 99(1) and 100 of the Tax Administration Act, apply to the Commissioner to allow all deductions provided for under this section in respect of scientific or technological research and development if—

(i) expenditure in respect of that scientific or technological research and development was incurred within six months prior to or on or after the date of receipt of an application by the Department of Science, Technology and **[Technology]** Innovation for the approval of that scientific or technological research and development;

(ii) that **[application]** expenditure was not allowable in respect of a year of assessment solely by reason of the absence of approval of that scientific or technological research and development under subsection (9); and

(iii) that scientific or technological research and development is approved in terms of subsection (9) after that year of assessment.

(b) The Commissioner may, notwithstanding the provisions of sections 93, 99(1) and 100 of the Tax Administration Act, make a reduced assessment for a year of assessment where expenditure incurred during that year in respect of scientific or technological research and development would have been allowable as a deduction in terms of this section had the approval in terms of subsection (9) been granted during that year of assessment.'; and".

(2) Subsection (1) is deemed to have come into operation on 1 January 2024 and applies in respect of applications received and expenditure incurred on or after that date.

Amendment of section 14 of Act 17 of 2023

67. (1) Section 14 of the Taxation Laws Amendment Act, 2023, is hereby amended by the substitution for subsection (2) of the following subsection:

"(2) Subsection (1) comes into operation on 1 January **[2025]** 2026 and applies in respect of years of assessment commencing on or after that date.".

(2) Subsection (1) is deemed to have come into operation on 22 December 2023.

Amendment of section 47 of Act 17 of 2023

68. (1) Section 47 of the Taxation Laws Amendment Act, 2023, is hereby amended by the substitution for subsection (1) of the following subsection:

"(1) Section 2 of the Value-Added Tax Act, 1991, is hereby amended by the substitution in subsection (2) for paragraph (iiiA) of the following paragraph:

'(iiiA) **'derivative'** means a derivative as defined in **[International Accounting Standard 39 of the International Accounting Standards]** and within the scope of International Financial Reporting Standard 9, issued by the International Accounting Standards Board;' ".

(2) Subsection (1) is deemed to have come into operation on 1 January 2024.

Short title

69. This Act is called the Taxation Laws Amendment Act, 2024.

SCHEDULE I

(section 41)

Part I

AMENDMENT OF PART I OF SCHEDULE NO. 1 TO CUSTOMS AND EXCISE ACT, 1964

By the insertion of the following:

Heading / Subheading	CD	Article Description	Statistical Unit	Rate of Duty					
				General	EU / UK	EFTA	SADC	MERCOSUR	AfCFTA
2710.19.07	1	Aviation kerosene, as defined in Additional Note 1(d)	li	free	free	free	free	free	free
2710.19.09	8	Power kerosene, as defined in Additional Note 1(e)	li	free	free	free	free	free	free
2710.19.15	2	Illuminating kerosene, as defined in Additional Note 1(f), marked	li	free	free	free	free	free	free
2710.19.26	8	Illuminating kerosene, as defined in Additional Note 1(f), unmarked	li	0,183c/li	free	0,183c/li	free	0,183c/li	0,1098c/li
2710.19.30	6	Distillate fuel, as defined in Additional Note 1(g)	li	0,183c/li	0,183c/li	0,183c/li	free	0,183c/li	0,1098c/li
2710.19.35	7	Residual fuel oils, as defined in Additional Note 1(h)	li	free	free	free	free	free	free
2710.19.37	3	Specified aliphatic hydrocarbons solvents, as defined in Additional Note 1(ij), marked	li	free	free	free	free	free	free
2710.19.39	6	Specified hydrocarbon solvents, as defined in Additional Note 1(ij), unmarked	li	0,183c/li	free	0,183c/li	free	0,183c/li	0,1098c/li
2710.19.45	4	Mixed alkylenes	kg	10%	10%	10%	free	10%	6%
2710.19.47	0	Lubricating grease	kg	1,8c/kg with a maximum of 15%	1,8c/kg with a maximum of 15%	1,8c/kg with a maximum of 15%	free	1,8c/kg with a maximum of 15%	1,08c/kg with a maximum of 9%
2710.19.49	7	Prepared lubricating oils, in containers holding less than 5 li	li	15%	15%	15%	free	15%	9%
2710.19.52	7	Other prepared lubricating oils	li	0,55c/li with a maximum of 8%	0,55c/li with a maximum of 8%	0,55c/li with a maximum of 8%	free	0,55c/li with a maximum of 8%	0,33c/li with a maximum of 4,8%
2710.19.55	1	Base oils for prepared lubricating oil, manufactured by the refining of used lubricating oil or other used oil	li	0,55c/li with a maximum of 8%	0,55c/li with a maximum of 8%	0,55c/li with a maximum of 8%	free	0,55c/li with a maximum of 8%	0,33c/li with a maximum of 4,8%
2710.19.57	8	Other base oils for prepared lubricating oil	li	0,1c/li with a maximum of 8%	0,1c/li with a maximum of 8%	0,1c/li with a maximum of 8%	free	0,1c/li with a maximum of 8%	0,06c/li with a maximum of 4,8%
2710.19.60	8	Transformer oil and cable oil	li	free	free	free	free	free	free
2710.19.70	5	Other insulating oil or dielectric oil	li	15%	15%	15%	free	15%	9%
2710.19.80	2	Hydraulic transmission fluids	li	15%	15%	15%	free	15%	9%
2710.19.90	6	Other	li	11c/li	11c/li	11c/li	free	11c/li	6,6c/li

By the substitution of the following:

Heading / Subheading	CD	Article Description	Statistical Unit	Rate of Duty					
				General	EU / UK	EFTA	SADC	MERCOSUR	AfCFTA
2710.19		**— — Other:**							

Part II

AMENDMENT OF PART 2A OF SCHEDULE NO. 1 TO CUSTOMS AND EXCISE ACT, 1964

By the insertion of the following:

Tariff Item	Tariff	Article Description	Rate of Excise Duty
105.13	**2710.19**	**Other:**	
105.13.09	2710.19.07	Aviation kerosene, as defined in Additional Note 1(d) to Chapter 27	free
105.13.13	2710.19.15	Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, marked	free
105.13.15	2710.19.26	Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, unmarked	3,817c/li
105.13.17	2710.19.30	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27	3,817c/li
105.13.19	2710.19.37	Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(ij) to Chapter 27, marked	free
105.13.21	2710.19.39	Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(ij) to Chapter 27, unmarked	3,817c/li

Part III

AMENDMENT OF PART 5A OF SCHEDULE NO. 1 TO CUSTOMS AND EXCISE ACT, 1964

By the insertion of the following:

Fuel Levy Item	Tariff Heading	Article Description	Rate of Fuel Levy
195.13	**2710.19**	**Other:**	
195.13.09	2710.19.07	Aviation kerosene, as defined in Additional Note 1(d) to Chapter 27	free
195.13.13	2710.19.15	Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, marked	free
195.13.15	2710.19.26	Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, unmarked	384c/li
195.13.17	2710.19.30	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27	384c/li
195.13.19	2710.19.37	Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(ij) to Chapter 27, marked	free
195.13.21	2710.19.39	Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(ij) to Chapter 27, unmarked	384c/li

Part IV

AMENDMENT OF PART 5B OF SCHEDULE NO. 1 TO CUSTOMS AND EXCISE ACT, 1964

By the insertion of the following:

Road Accident Fund Levy Item	Tariff Heading	Article Description	Rate of Road Accident Fund Levy
197.13	**2710.19**	**Other:**	
197.13.09	2710.19.07	Aviation kerosene, as defined in Additional Note 1(d) to Chapter 27	free
197.13.13	2710.19.15	Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, marked	free
197.13.15	2710.19.26	Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, unmarked	218c/li
197.13.17	2710.19.30	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27	218c/li
197.13.19	2710.19.37	Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(ij) to Chapter 27, marked	free
197.13.21	2710.19.39	Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(ij) to Chapter 27, unmarked	218c/li

Schedule II

(section 42)

AMENDMENT OF PART 4 OF SCHEDULE NO. 4 TO CUSTOMS AND EXCISE ACT, 1964

By the insertion of the following:

Rebate Item	Tariff Heading	Rebate Code	CD	Article Description	Extent of Rebate
496.00	2710.19	01.06	63	Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(ij) to Chapter 27, entered for the purpose of this rebate item in such quantities, for such purposes and under such conditions as the Commissioner may allow by specific permit	Full fuel levy and Road Accident Fund Levy

Schedule III

(section 43)

AMENDMENT OF PART 4 OF SCHEDULE NO. 5 TO CUSTOMS AND EXCISE ACT, 1964

By the insertion of the following:

Refund Item	Tariff Heading	Code	CD	Description	Extent of Refund
540.01	195.13	01.05	59	Distillate fuels used by diplomatic and other foreign representatives	As determined and approved by the Director-General: Department of International Relations and Co-operation

SCHEDULE IV

(section 44)

AMENDMENT OF PART 1F OF SCHEDULE NO. 6 TO CUSTOMS AND EXCISE ACT, 1964

By the insertion of the following:

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund
623.02	105.13.17	02.02	74	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		As determined and approved by the Director-General: Department of International Relations and Co-operation
623.03	105.13.17	02.02	73	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		As determined and approved by the Director-General: Department of International Relations and Co-operation
623.05	105.13.15	04.02	72	Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, unmarked	Full duty	
623.05	105.13.17	04.03	73	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27	Full duty	
623.05	105.13.21	04.04	78	Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(ij) to Chapter 27, unmarked	Full duty	
623.06	105.13.17	01.02	74	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27	Full duty	
623.09	105.13.17	01.02	74	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		Full duty
623.10	105.13.17	01.02	71	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		Full duty
623.11	105.13.17	01.02	73	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		Full duty
623.12	105.13.17	01.02	75	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		Full duty
623.13	105.13.17	01.02	77	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		Full duty
623.14	105.13.17	01.02	79	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		Full duty
623.19	105.13.15	04.02	78	Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, unmarked		As provided in the Notes hereto
623.19	105.13.17	04.03	79	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		As provided in the Notes hereto

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund
623.19	105.13.21	04.04	73	Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(ij) to Chapter 27, unmarked		As provided in the Notes hereto
623.21	105.13.15	04.02	71	Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, unmarked		As provided in the Notes hereto
623.21	105.13.17	04.03	72	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		As provided in the Notes hereto
623.21	105.13.21	04.04	77	Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(ij) to Chapter 27, unmarked		As provided in the Notes hereto
623.23	105.13.15	04.02	75	Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, unmarked		As provided in the Notes hereto
623.23	105.13.17	04.03	76	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		As provided in the Notes hereto
623.23	105.13.21	04.04	70	Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(ij) to Chapter 27, unmarked		As provided in the Notes hereto
623.25	105.13.15	03.02	74	Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, unmarked		As provided in the Notes hereto
623.25	105.13.17	03.03	75	Distillate fuel, as defined in Additional Note 1(g) to Chapter 27		As provided in the Notes hereto