

ENSafrica tax in brief

Below, please find issue 34 of ENSafrica's tax in brief, a snapshot of the latest tax developments in South Africa.

case law

- no new case law noted.

legislation and draft legislation

- Value-Added Tax Act, 1991 | draft tariff amendment notice
 - to amend Schedule 1 of the Value-Added Tax Act, 1991 as a consequence of the amendment in Part 1 of Schedule No. 4 to the Customs and Excise Act, 1964.
 - due date for comments: **11 September 2019**
 - find a copy of the notice [here](#).

advance tax rulings

- binding private ruling 324 | disposal and acquisition of shares by a public benefit organisation
 - sections 10(1)(cN), 25B, 30, and 64F of the Income Tax Act, 1962 (the "Act").
 - paragraphs 20(1)(a) and 63A of the Eighth Schedule to Act.
 - this ruling determines the implications arising from the acquisition by a public benefit organisation ("**PBO**") of listed Black Economic Empowerment shares funded by:
 - proceeds from the disposal of listed ordinary shares held by the PBO;
 - dividends received by the PBO in respect of the listed ordinary shares held; and
 - cash received by the PBO as a beneficiary of certain trusts
 - find the ruling [here](#).
- binding private ruling 325 | liquidation distribution and amalgamation transaction between non-resident companies
 - sections 9D(2A), 9H, 44, and 47 of the Act.
 - paragraph 43A of the Eighth Schedule to the Act.

- this ruling determines whether the proposed mergers under foreign law will constitute a liquidation distribution and an amalgamation transaction.
- find the ruling [here](#).

SARS publications

- guide on income tax and the individual (2018/19)
 - the purpose of this guide is to inform individuals who are South African residents of their income tax commitments under the Income Tax Act, 1962.
 - find a copy of the guide [here](#).

exchange control

- no new exchange control circulars noted.

customs and excise

- notice 449 | *Government Gazette* 42657
 - International Trade Administration Commission of South Africa (“ITAC”): notice of initiation of an investigation into the alleged circumvention through country hopping from Saudi Arabia and the United Arab Emirates to Egypt of clear float glass.
 - a copy of this notice is available on request.
- notice 450 | *Government Gazette* 42657
 - customs tariff applications list 06/2019 received by ITAC.
 - a copy of this notice is available on request.
- tariff amendment notice R.1103 | *Government Gazette* 42658
 - amendment to Part 2 of Schedule No. 4 by the substitution of rebate item 460.03/0207.14.9/01.07 in order to increase the annual quota for bone-in cuts of the species *Gallus Domesticus*, frozen and imported from or originating in the United State of America – ITAC Minute M02/2019.
 - find a copy of the notice [here](#).
- Customs and Excise Act, 1964 | draft tariff amendment notices
 - Part 1 of Schedule No. 4 | to exclude duty rebates in circumstances where damage, destruction or loss of goods as contemplated in those items, occurs due to robbery or theft
 - find a copy of the notice [here](#).
 - Part 4 of Schedule No. 4 | to exclude duty rebates in circumstances where damage, destruction or loss of goods as contemplated in those items occurs, due to robbery or theft
 - find a copy of the notice [here](#).

- Part 5 of Schedule No. 4 | to exclude duty rebates in circumstances where damage, destruction or loss of goods as contemplated in those items occurs, due to robbery or theft
 - find a copy of the notice [here](#).
- Part 1G of Schedule No. 6 | to exclude duty rebates in circumstances where damage, destruction or loss of goods as contemplated in those items occurs, due to robbery or theft
 - find a copy of the notice [here](#).
- Part 2 of Schedule No. 6 | to exclude duty rebates in circumstances where damage, destruction or loss of goods as contemplated in those items occurs, due to robbery or theft
 - find a copy of the notice [here](#).
- Part 3 of Schedule No. 6 | to exclude duty rebates in circumstances where damage, destruction or loss of goods as contemplated in those items occurs, due to robbery or theft
 - find a copy of the notice [here](#).
- Part 4 of Schedule No. 6 | to exclude duty rebates in circumstances where damage, destruction or loss of goods as contemplated in those items occurs, due to robbery or theft
 - find a copy of the notice [here](#).
- Part 5 of Schedule No. 6 | to exclude duty rebates in circumstances where damage, destruction or loss of goods as contemplated in those items occurs, due to robbery or theft
 - find a copy of the notice [here](#).
- the draft amendments are proposed to rebates and refund items to exclude duty rebates in circumstances where damage, destruction or loss of goods as contemplated in those items occurs due to robbery or theft. These are in line with an international tendency to not allow duty rebates in cases of robbery or theft, the rationale being that the amount of any duty payable should be covered by an insurance policy.
- the due date for comments is **11 September 2019**.
- International Trade Administration Act, 2002 | *Government Gazette 42665*
 - appointment of members of Steel Committee of the International Trade and Administration Commission of South Africa to monitor recommendations.
 - a copy of this notice is available on request.

international

- OECD | Guinea, Namibia and Honduras join the Global Forum on Transparency and Exchange of Information for Tax Purposes
- OECD | Canada and Switzerland deposit their instruments of ratification for the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting ("**MLI**")
 - find a list of the signatories and parties to the MLI [here](#).

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