

ENSafrica tax in brief

Below, please find issue 49 of ENSafrica's tax in brief, a snapshot of the latest tax developments in South Africa.

legislation and draft legislation

- **Notice 741 of 3 July 2020 | persons to submit income tax returns for the 2020 year of assessment**
 - This Notice, in terms of section 25 of the Tax Administration Act, 2011, specifies the persons who are required to submit tax returns in respect of the 2020 year of assessment and sets out the dates for the 2020 filing season.
 - Find a copy of the notice [here](#).

advance tax rulings

- **Binding class ruling 70 | Recipients of shares in an "unbundled" company**
 - This ruling determines tax consequences for the recipients of listed shares in a certain company, following an unbundling transaction of that company's shares by its listed holding company.
 - Find a copy of the ruling [here](#).
- **Binding private ruling 345 | Asset-for-share transactions followed by an unbundling transaction and a sale of shares to a third party**
 - This ruling determines the tax relief for the parties involved in an internal restructuring involving corporate rules (section 42) followed by an unbundling (section 46) and a sale of shares to a third party.
 - Find a copy of the ruling [here](#).

international

- **Zambia terminates Double Taxation Agreement ("DTA") with Mauritius**
 - Zambia's cabinet has resolved to unilaterally terminate the country's DTA with Mauritius and to negotiate a new agreement.
 - Mauritius has listed the existing DTA as a "covered agreement" for purposes of the Multilateral Convention on BEPS (commonly known as the Multilateral Instrument ("MLI")) although Zambia is not a signatory to the MLI.

- It is therefore expected that the new DTA will meet the minimum standards in terms of the MLI, including the principle purpose test.
- The existing DTA, concluded in 2012, will cease to have effect in respect of taxes withheld at source in Zambia after 31 December 2020.
- **Tanzania | Transfer Pricing Guidelines, 2020, issued**
 - The Tanzania Revenue Authority has issued Transfer Pricing Guidelines (“**Guidelines**”), intended to clarify and provide practical guidance regarding certain aspects of those Regulations.
 - The Guidelines include specific guidance on Advance Pricing Agreements and commodity transactions.
 - A copy of the Guidelines is available on request.

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