1. Interpretation.—(1) In this Act, unless the context otherwise indicates—
"agent" includes any partnership or company or any other body of persons corporate or unincorporate acting as an agent;
"aggregate capital gain" means an amount determined in terms of paragraph 6 of the Eighth Schedule;
[Definition of "aggregate capital gain" inserted by s. 5 (a) of Act No. 5 of 2001.]
"aggregate capital loss" means an amount determined in terms of paragraph 7 of the Eighth Schedule;
[Definition of "aggregate capital loss" inserted by s. 5 (a) of Act No. 5 of 2001.]
"assessed capital loss" means an amount determined in terms of paragraph 9 of the Eighth Schedule;
[Definition of "assessed capital loss" inserted by s. 5 (a) of Act No. 5 of 2001.]
"assessment" has the meaning assigned under section 1 of the Tax Administration Act, and includes a determination by the Commissioner—
(a)
. . . . . .
(b)
. . . . . .
(c)
of any loss ranking for set-off;
(d)
of any assessed capital loss determined in terms of paragraph 9 of the Eighth Schedule; or
(e)
of any amounts to be taken into account in the determination of tax payable on income in future years;
[Definition of "assessment" amended by s. 3 (a) of Act No. 90 of 1962, substituted by s. 4 (1) (a) of Act No. 88 of 1971 and by s. 4 (1) (a) of Act No. 69 of 1975, amended by s. 2 (1) (a) of Act No. 104 of 1980, by s. 12 (1) (a) of Act No. 45 of 2003 and by s. 5 (b) and (c) of Act No. 5 of 2001 and substituted by s. 271 read with para. 23 (a) of Sch. 1 of Act No. 28 of 2011.]
Wording of Sections
"assisted gold mine" . . . . . .
[Definition of "assisted gold mine" inserted by s. 5 (a) of Act No. 76 of 1968 and deleted by s. 2 (a) of Act No. 141 of 1992.]
Wording of Sections
"average exchange rate" in relation to a year of assessment means the average determined by using the closing spot rates at the end of daily or monthly intervals during that year of assessment which must be consistently applied within that year of assessment;
[Definition of "average exchange rate" inserted by s. 6 (1) (a) of Act No. 74 of 2002 and substituted by s. 3 (1) (a) of Act No. 32 of 2005 deemed to have come into operation on 8 November, 2005 and applicable in respect of years of assessment ending on or after that date.]
Wording of Sections
"Banks Act" means the Banks Act, 1990 (Act No. 94 of 1990);
[Definition of "Banks Act" inserted by s. 4 (1) (a) of Act No. 31 of 2013 with effect from 1 January, 2014.]
"battery electric vehicle" means any fully electric vehicle powered by rechargeable batteries;
[Definition of "battery electric vehicle" inserted by s. 1 (1) (a) of Act No. 42 of 2024 with effect from 1 March, 2026 and applicable in respect of assets brought into use on or after that date.]
"beneficiary" in relation to a trust means a person who has a vested or contingent interest in all or a portion of the receipts or accruals or the assets of that trust;
[Definition of "beneficiary" inserted by s. 3 (1) (b) of Act No. 32 of 2005.]
"benefit fund" means—
(a)

any friendly society registered under the Friendly Societies Act, 1956 (Act No. 25 of 1956), or any fund established before 13 June 1986 which is not so registered solely because of the provisions of section 2 (2) (a) of that Act; or

[Para. (a) substituted by s. 3 (1) (a) of Act No. 101 of 1978 and by s. 2 (1) (a) of Act No. 65 of 1986.]

Wording of Sections

(b)

any medical scheme registered under the provisions of the Medical Schemes Act;

[Para. (b) substituted by s. 3 (1) (a) of Act No. 101 of 1978 and by s. 10 (1) (a) of Act No. 53 of 1999, amended by s. 4 (1) (a) of Act No. 60 of 2008 and substituted by s. 4 (1) (b) of Act No. 31 of 2013 with effect from 1 January, 2014.]

Wording of Sections

(c)

. . . . . .

[Para. (c) substituted by s. 2 (a) of Act No. 21 of 1995 and by s. 19 (1) (a) of Act No. 30 of 1998 and deleted by s. 19 (1) (b) of Act No. 30 of 1998 with effect from 1 January, 2000 and applicable in respect of years of assessment commencing on or after that date.]

Wording of Sections

"bonus debentures or securities" means debentures or securities issued by a company, whether by way of a bonus award or otherwise, in such manner that the company's reserves or unappropriated profits are in whole or in part applied in paying up such debentures or securities;

[Definition of "bonus debentures or securities" inserted by s. 4 (1) (a) of Act No. 85 of 1974.]

"building society" . . . . . .

[Definition of "building society" inserted by s. 1 (1) (a) of Act No. 108 of 1986 and deleted by s. 2 (1) (a) of Act No. 3 of 2008.]

Wording of Sections

"business day" . . . . . .

[Definition of "business day" inserted by s. 2 (1) (a) of Act No. 113 of 1993 and deleted by s. 271 read with para. 23 (b) of Sch. 1 of Act No. 28 of 2011.]

Wording of Sections

"capital gain" means an amount determined in terms of paragraph 3 of the Eighth Schedule;

[Definition of "capital gain" inserted by s. 5 (d) of Act No. 5 of 2001.]

"capital loss" means an amount determined in terms of paragraph 4 of the Eighth Schedule;

[Definition of "capital loss" inserted by s. 5 (d) of Act No. 5 of 2001.]

"capitalization shares" . . . . . .

[Definition of "capitalization shares" inserted by s. 4 (1) (b) of Act No. 85 of 1974 and deleted by s. 6 (1) (a) of Act No. 7 of 2010 with effect from 1 January, 2011.]

Wording of Sections

"Chief Executive Officer" . . . . . .

[Definition of "Chief Executive Officer" inserted by s. 2 (a) of Act No. 36 of 1996 and deleted by s. 34 (1) of Act No. 34 of 1997.]

Wording of Sections

"child", in relation to any person, includes any person adopted by him or her—

(a)

under the law of the Republic; or

(b)

under the law of any country other than the Republic, provided the adopted person is under such law accorded the status of a legitimate child of the adoptive parent and the adoption was made at a time when the adoptive parent was ordinarily resident in such country;

[Definition of "child" inserted by s. 4 (a) of Act No. 90 of 1964 and amended by s. 2 (1) (b) of Act No. 3 of 2008.]

Wording of Sections

“close corporation” means a close corporation within the meaning of the Close Corporations Act, 1984 (Act No. 69 of 1984);
[Definition of “close corporation” inserted by s. 2 (1) (a) of Act No. 121 of 1984.]
“collateral arrangement” means a collateral arrangement as defined in section 1 of the Securities Transfer Tax Act, 2007 (Act No. 25 of 2007);
[Definition of “collateral arrangement” inserted by s. 3 (1) (a) of Act No. 25 of 2015 with effect from 1 January, 2016 and applicable in respect of collateral arrangements entered into on or after that date.]
“Collective Investment Schemes Control Act” means the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002);
[Definition of “Collective Investment Schemes Control Act” inserted by s. 4 (1) (c) of Act No. 31 of 2013 with effect from 1 January, 2014.]
“Commissioner” means the Commissioner for the South African Revenue Service appointed in terms of section 6 of the South African Revenue Service Act, 1997 (Act No. 34 of 1997), or the Acting Commissioner designated in terms of section 7 of that Act;
[Definition of “Commissioner” deleted by s. 4 (b) of Act No. 90 of 1964, inserted by s. 2 (1) (b) of Act No. 104 of 1980 and substituted by s. 34 (1) of Act No. 34 of 1997 and by s. 271 read with para. 23 (c) of Sch. 1 of Act No. 28 of 2011.]
Wording of Sections
“Companies Act” means the Companies Act, 2008 (Act No. 71 of 2008);
[Definition of “Companies Act” inserted by s. 4 (1) (d) of Act No. 31 of 2013 with effect from 1 January, 2014.]
“company” includes—
(a)
any association, corporation or company (other than a close corporation) incorporated or deemed to be incorporated by or under any law in force or previously in force in the Republic or in any part thereof, or any body corporate formed or established or deemed to be formed or established by or under any such law; or
[Para. (a) substituted by s. 4 (1) (c) of Act No. 85 of 1974 and by s. 2 (1) (b) of Act No. 121 of 1984.]
Wording of Sections
(b)
any association, corporation or company incorporated under the law of any country other than the Republic or any body corporate formed or established under such law; or
[Para. (b) substituted by s. 4 (1) (c) of Act No. 85 of 1974 and by s. 13 (1) (a) of Act No. 30 of 2000 deemed to have come into operation on 23 February, 2000 and applicable in respect of any foreign dividend received by or accrued to any person on or after that date, or accrued to the person before 23 February, 2000 but received on or after that date (subject to a proviso regarding listed companies or a declaration under oath by certain officers that the dividend was actually declared before 23 February, 2000).]
Wording of Sections
(c)
any co-operative; or
[Para. (c) substituted by s. 4 (1) (c) of Act No. 85 of 1974, deleted by s. 13 (1) (b) of Act No. 30 of 2000 and inserted by s. 3 (1) (a) of Act No. 20 of 2006.]
Wording of Sections
(d)
any association (not being an association referred to in paragraph (a) or (f)) formed in the Republic to serve a specified purpose, beneficial to the public or a section of the public; or
[Para. (d) substituted by s. 2 (1) (c) of Act No. 121 of 1984 and by s. 13 (1) (c) of Act No. 30 of 2000 with effect from 1 January, 2001 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(e)

any—
(i)
. . . . . .
[Sub-para. (i) deleted by s. 7 (1) (a) of Act No. 17 of 2009 with effect from the commencement of years of assessment commencing on or after 1 January, 2010.]
Wording of Sections
(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, 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
[Sub-para. (ii) substituted by s. 3 (1) (a) of Act No. 8 of 2007, by s. 6 (1) (b) of Act No. 7 of 2010, by s. 4 (1) (e) of Act No. 31 of 2013 and by s. 1 (1) (b) of Act No. 42 of 2024.]
Wording of Sections
(iii)
portfolio of a collective investment scheme in property that qualifies as a REIT as defined in the listing requirements of an exchange, as defined in section 1 of the Financial Markets Act and licensed under section 9 of that Act, where those listing requirements have been approved in consultation with the Director-General of the National Treasury and published 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
[Para. (e) added by s. 3 (b) of Act No. 90 of 1962, amended by s. 2 (1) (a) of Act No. 28 of 1997 and substituted by s. 13 (1) (d) of Act No. 30 of 2000 and by s. 6 (1) (b) of Act No. 74 of 2002 with effect from the date that the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002) comes into operation: 3 March, 2003. Sub-para. (iii) added by s. 2 (1) (a) of Act No. 22 of 2012 and substituted by s. 4 (1) (f) of Act No. 31 of 2013, by s. 1 (1) (a) of Act No. 43 of 2014, by s. 3 (1) (b) of Act No. 25 of 2015, by s. 1 (1) (a) of Act No. 23 of 2018 and by s. 4 (1) (a) of Act No. 20 of 2021.]
Wording of Sections
(f)
a close corporation,
[Para. (f) added by s. 2 (1) (d) of Act No. 121 of 1984 and substituted by s. 6 (1) (c) of Act No. 7 of 2010 with effect from the commencement of years of assessment commencing on or after 1 October, 2011 in the case of any foreign partnership that is established or formed before 24 August, 2010, and with effect from the date of establishment or formation in the case of any foreign partnership that is established or formed on or after 24 August, 2010 (Editorial Note: effective date in s. 6 (4) (a) of Act No. 7 of 2010 as substituted by s. 159 (1) (b) of Act No. 24 of 2011).]
Wording of Sections
but does not include a foreign partnership;
[Definition of "company" amended by s. 6 (1) (d) of Act No. 7 of 2010 with effect from the commencement of years of assessment commencing on or after 1 October, 2011 in the case of any foreign partnership that is established or formed before 24 August, 2010, and with effect from the date of establishment or formation in the case of any foreign partnership that is established or formed on or after 24 August, 2010 (Editorial Note: effective date in s. 6 (4) (a) of Act No. 7 of 2010 as substituted by s. 159 (1) (b) of Act No. 24 of 2011).]
Wording of Sections
"connected person" means—
(a)
in relation to a natural person—
(i)

any relative; and
(ii)
any trust (other than a portfolio of a collective investment scheme) of which such natural person or such relative is a beneficiary;
[Sub-para. (ii) substituted by s. 7 (1) (b) of Act No. 17 of 2009, by s. 2 (1) (b) of Act No. 22 of 2012 and by s. 3 (1) (c) of Act No. 25 of 2015.]
Wording of Sections
(b)
in relation to a trust (other than a portfolio of a collective investment scheme)—
(i)
any beneficiary of such trust; and
(ii)
any connected person in relation to such beneficiary;
[Para. (b) amended by s. 7 (1) (c) of Act No. 17 of 2009, by s. 2 (1) (c) of Act No. 22 of 2012 and by s. 3 (1) (d) of Act No. 25 of 2015.]
Wording of Sections
(bA)
in relation to a connected person in relation to a trust (other than a portfolio of a collective investment scheme), any other person who is a connected person in relation to such trust;
[Para. (bA) inserted by s. 19 (1) (c) of Act No. 30 of 1998 and substituted by s. 6 (1) (c) of Act No. 74 of 2002, by s. 7 (1) (d) of Act No. 17 of 2009, by s. 2 (1) (d) of Act No. 22 of 2012, by s. 3 (1) (e) of Act No. 25 of 2015 and by s. 5 (1) (a) of Act No. 15 of 2016.]
Wording of Sections
(c)
in relation to a member of any partnership or foreign partnership—
(i)
any other member; and
(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;
[Para. (c) substituted by s. 4 (1) (g) of Act No. 31 of 2013. Sub-para. (ii) substituted by s. 1 (1) (c) of Act No. 42 of 2024 with effect from 1 January, 2025 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(d)
in relation to a company—
(i)
any other company that would be part of the same group of companies as that company if the expression “at least 70 per cent of the equity shares in” in paragraphs (a) and (b) of the definition of “group of companies” in this section were replaced by the expression “more than 50 per cent of the equity shares or voting rights in”;
[Sub-para. (i) substituted by s. 3 (1) (b) of Act No. 20 of 2006, by s. 3 (1) (b) of Act No. 8 of 2007 (English only), by s. 7 (1) (a) of Act No. 24 of 2011 and by s. 4 (1) (h) of Act No. 31 of 2013 deemed to have come into operation on 1 January, 2012.]
Wording of Sections
(ii)
. . . . . .
[Sub-para. (ii) deleted by s. 3 (1) (c) of Act No. 20 of 2006.]
Wording of Sections
(iii)
. . . . . .
[Sub-para. (iii) deleted by s. 3 (1) (c) of Act No. 20 of 2006.]
Wording of Sections
(iv)

any person, other than a company as defined in section 1 of the Companies Act that alone or together with any connected person in relation to that person, holds, directly or indirectly, at least 20 per cent of—

(aa)

the equity shares in the company; or

(bb)

the voting rights in the company;

[Sub-para. (iv) substituted by s. 2 (1) (a) of Act No. 21 of 1994, by s. 2 (1) (b) of Act No. 28 of 1997 and by s. 6 (1) (e) of Act No. 7 of 2010 and amended by s. 4 (1) (i) of Act No. 31 of 2013 and by s. 4 (1) (b) of Act No. 20 of 2021.]

Wording of Sections

(v)

any other company if at least 20 per cent of the equity shares or voting rights in the company are held by that other company, and no holder of shares holds the majority voting rights in the company;

[Sub-para. (v) substituted by s. 2 (1) (a) of Act No. 21 of 1994, amended by s. 2 (1) (c) of Act No. 28 of 1997 and substituted by s. 6 (1) (e) of Act No. 7 of 2010, by s. 7 (1) (a) of Act No. 24 of 2011, by s. 4 (1) (j) of Act No. 31 of 2013 deemed to have come into operation on 1 January, 2012 and by s. 4 (1) (k) of Act No. 31 of 2013.]

Wording of Sections

(vA)

any other company if such other company is managed or controlled by—

(aa)

any person who or which is a connected person in relation to such company; or

(bb)

any person who or which is a connected person in relation to a person contemplated in item (aa); and

[Sub-para. (vA) inserted by s. 2 (1) (d) of Act No. 28 of 1997 and substituted by s. 19 (1) (d) of Act No. 30 of 1998.]

Wording of Sections

(vi)

where such company is a close corporation—

(aa)

any member;

(bb)

any relative of such member or any trust (other than a portfolio of a collective investment scheme) which is a connected person in relation to such member; and

[Item (bb) substituted by s. 7 (1) (e) of Act No. 17 of 2009, by s. 2 (1) (e) of Act No. 22 of 2012 and by s. 3 (1) (f) of Act No. 25 of 2015 (Editorial Note: as amended by s. 103 (1) (a) of Act No. 23 of 2018).]

Wording of Sections

(cc)

any other close corporation or company which is a connected person in relation to—

(A)

any member contemplated in item (aa); or

[Sub-item (A) (previously sub-item (i)) renumbered by s. 1 (1) (d) of Act No. 42 of 2024.]

(B)

the relative or trust contemplated in item (bb); and

[Item (cc) substituted by s. 2 (1) (e) of Act No. 28 of 1997. Sub-item (B) (previously sub-item (ii)) renumbered by s. 1 (1) (d) of Act No. 42 of 2024.]

Wording of Sections

(e)

in relation to any person who is a connected person in relation to any other person in terms of the foregoing provisions of this definition, such other person:

Provided that for the purposes of this definition, a company includes a portfolio of a collective investment scheme;
[Definition of "connected person" inserted by s. 2 (1) (b) of Act No. 113 of 1993 and amended by s. 3 (1) (c) of Act No. 32 of 2005, by s. 7 (1) (f) of Act No. 17 of 2009 and by s. 2 (1) (a) of Act No. 17 of 2017.]
Wording of Sections
"contributed tax capital", in relation to a class of shares in a company, means—
(a)
in relation to a class of shares issued by a company, in the case of a foreign company that becomes a resident on or after 1 January 2011, an amount equal to the sum of—
(i)
the market value of all the shares in that company of that class immediately before the date on which that company becomes a resident: Provided that the market value must be reduced by an amount equal to the difference between—
(aa)
the market value of the shares held by that foreign company in; and
(bb)
an amount equal to the percentage of shares held by that foreign company in a resident company, of the aggregate contributed tax capital in respect of each class of shares of,
each resident company in which that foreign company directly holds at least 50 per cent of the equity shares or voting rights immediately before the date on which that foreign company becomes a resident;
[Sub-para. (i) amended by s. 1 (1) (d) of Act No. 43 of 2014 and by s. 1 (1) (a) of Act No. 17 of 2023 with effect from 1 January, 2024 and applicable in respect of any company that becomes a resident on or after that date.]
Wording of Sections
(ii)
the consideration received by or accrued to that company for the issue of shares of that class on or after the date on which that company becomes a resident; and
[Sub-para. (ii) amended by s. 1 (1) (d) of Act No. 43 of 2014.]
Wording of Sections
(iii)
if the shares of that class include or consist of shares that were converted from another class of shares of that company to that class of shares—
(aa)
any consideration received by or accrued to that company in respect of that conversion; and
(bb)
the amount contemplated in subparagraph (cc) that was determined in respect of shares of the other class of shares that were so converted,
[Sub-para. (iii) added by s. 1 (1) (d) of Act No. 43 of 2014.]
reduced by so much of that amount as—
(aa)
the company has transferred on or after the date on which the company becomes a resident for the benefit of any person holding a share in that company of that class in respect of that share;
[Sub-para. (aa) substituted by s. 1 (1) (e) of Act No. 43 of 2014.]
(bb)
has by the date of the transfer been determined by the directors of the company or by some other person or body of persons with comparable authority to be an amount so transferred; and
[Sub-para. (bb) substituted by s. 1 (1) (e) of Act No. 43 of 2014.]
(cc)
in the case of a convertible class of shares some of the shares of which have been converted to another class of shares, so much of the amount contemplated in this paragraph in respect of

that convertible class of shares immediately prior to that conversion as bears to that amount the same ratio as the number of shares so converted bears to the total number of that convertible class of shares prior to that conversion; or

[Para. (a) amended by s. 4 (1) (l) of Act No. 31 of 2013 and by s. 1 (1) (c) of Act No. 43 of 2014. Sub-para. (cc) added by s. 1 (1) (e) of Act No. 43 of 2014.]

Wording of Sections

(b)

in relation to a class of shares issued by a company, in the case of any other company, an amount equal to the sum of—

(i)

the stated capital or share capital and share premium of that company immediately before 1 January 2011 in relation to shares in that company of that class issued by that company before that date, less so much of that stated capital or share capital and share premium as would have constituted a dividend, as defined before that date, had the stated capital or share capital and share premium been distributed by that company immediately before that date;

[Sub-para. (i) amended by s. 1 (1) (g) of Act No. 43 of 2014.]

Wording of Sections

(ii)

the consideration received by or accrued to that company for the issue of shares of that class on or after 1 January 2011; and

[Sub-para. (ii) amended by s. 1 (1) (g) of Act No. 43 of 2014.]

Wording of Sections

(iii)

if the shares of that class include or consist of shares that were converted from another class of shares of that company to that class of shares—

(aa)

any consideration received by or accrued to that company in respect of that conversion; and

(bb)

the amount contemplated in subparagraph (cc) that was determined in respect of shares of the other class of shares that were so converted,

[Sub-para. (iii) added by s. 1 (1) (g) of Act No. 43 of 2014.]

reduced by so much of that amount as—

(aa)

the company has transferred on or after 1 January 2011 for the benefit of any person holding a share in that company of that class in respect of that share;

[Sub-para. (aa) substituted by s. 1 (1) (h) of Act No. 43 of 2014.]

(bb)

has by the date of the transfer been determined by the directors of the company or by some other person or body of persons with comparable authority to be an amount so transferred; and

[Sub-para. (bb) substituted by s. 1 (1) (h) of Act No. 43 of 2014.]

(cc)

in the case of a convertible class of shares some of the shares of which have been converted to another class of shares, so much of the amount contemplated in this paragraph in respect of that convertible class of shares immediately prior to that conversion as bears to that amount the same ratio as the number of shares so converted bears to the total number of that convertible class of shares prior to that conversion:

[Para. (b) amended by s. 1 (1) (f) of Act No. 43 of 2014. Sub-para. (cc) added by s. 1 (1) (h) of Act No. 43 of 2014.]

Wording of Sections

Provided that the amount transferred by a company as contemplated in paragraph (a) or (b) for the benefit of a person holding shares of any class of shares of that company must not exceed an amount that bears to the total of the amount of contributed tax capital attributable to that class of shares immediately before the transfer the same ratio as the number of shares of that

class held by that person bears to the total number of shares of that class: Provided further that an amount transferred by a company as contemplated in paragraph (a) or (b) must comprise a transfer of contributed tax capital only where—
(i)
the shares in a class of shares, in respect of which—
(aa)
a distribution is made; or
(bb)
consideration for the acquisition, cancellation or redemption is paid or payable by that company,
are each transferred an equal amount of contributed tax capital in respect of that class of shares; and
(ii)
the amount of that transfer per share does not exceed the total amount of contributed tax capital in respect of that class of shares divided by the total number of issued shares within that class of shares;
[Definition of "contributed tax capital" inserted by s. 4 (1) (b) of Act No. 60 of 2008, amended by s. 7 (1) (g) of Act No. 17 of 2009, substituted by s. 6 (1) (f) of Act No. 7 of 2010 and by s. 7 (1) (b) and (c) of Act No. 24 of 2011 and amended by s. 1 (1) (b) of Act No. 43 of 2014 and by s. 4 (1) (c) of Act No. 20 of 2021 (Editorial Note: as substituted by s. 41 (1) of Act No. 20 of 2022) with effect from 1 January, 2023.]
Wording of Sections
"controlled foreign company" means a controlled foreign company as defined in section 9D;
[Definition of "controlled foreign company" inserted by s. 6 (1) (d) of Act No. 74 of 2002, deleted by s. 2 (1) (a) of Act No. 23 of 2020 and inserted by s. 2 (1) (b) of Act No. 23 of 2020.]
Wording of Sections
"controlled group company" means a controlled group company contemplated in the definition of "group of companies";
[Definition of "controlled group company" inserted by s. 6 (1) (d) of Act No. 74 of 2002 deemed to have come into operation on 6 November, 2002.]
"controlling group company" means a controlling group company contemplated in the definition of "group of companies";
[Definition of "controlling group company" inserted by s. 6 (1) (d) of Act No. 74 of 2002 deemed to have come into operation on 6 November, 2002.]
"co-operative" means any association of persons registered in terms of section 27 of the Co-operatives Act, 1981 (Act No. 91 of 1981) or section 7 of the Co-operatives Act, 2005 (Act No. 14 of 2005);
[Definition of "co-operative" inserted by s. 3 (1) (d) of Act No. 20 of 2006 and substituted by s. 3 (1) (c) of Act No. 8 of 2007 deemed to have come into operation on 1 January, 2007 and applicable in respect of any year of assessment ending on or after that date.]
Wording of Sections
"Copyright Act" means the Copyright Act, 1978 (Act No. 98 of 1978);
[Definition of "Copyright Act" inserted by s. 4 (1) (m) of Act No. 31 of 2013.]
"date of deep level production" . . . . . .
[Definition of "date of deep level production" deleted by s. 2 (1) (c) of Act No. 3 of 2008.]
Wording of Sections
"date of assessment" . . . . . .
[Definition of "date of assessment" inserted by s. 4 (1) (b) of Act No. 69 of 1975 and deleted by s. 271 read with para. 23 (d) of Sch. 1 of Act No. 28 of 2011.]
Wording of Sections
"date of sequestration" means—
(a)
the date of voluntary surrender of an estate, if accepted by the Court; or
(b)

the date of provisional sequestration of an estate, if a final order of sequestration is granted by the Court;
[Definition of “date of sequestration” inserted by s. 12 (1) (b) of Act No. 45 of 2003.]
“depreciable asset” means an asset as defined in paragraph 1 of the Eighth Schedule (other than any trading stock and any debt), in respect of which a deduction or allowance determined wholly or partly with reference to the cost or value of that asset is allowable in terms of this Act for purposes other than the determination of any capital gain or capital loss;
[Definition of “depreciable asset” inserted by s. 12 (1) (b) of Act No. 45 of 2003 and substituted by s. 5 (1) (a) of Act No. 35 of 2007.]
Wording of Sections
“dependant” . . . . . .
[Definition of “dependant” substituted by s. 4 (1) (b) of Act No. 88 of 1971 and by s. 4 (1) (d) of Act No. 85 of 1974, amended by s. 3 (1) (a) of Act No. 104 of 1979 and by s. 2 (1) (c) of Act No. 104 of 1980 and deleted by s. 2 (b) of Act No. 90 of 1988.]
Wording of Sections
“Designs Act” means the Designs Act, 1993 (Act No. 195 of 1993);
[Definition of “Designs Act” inserted by s. 4 (1) (n) of Act No. 31 of 2013.]
“designated country” . . . . . .
[Definition of “designated country” inserted by s. 6 (1) (e) of Act No. 74 of 2002 and deleted by s. 12 (1) (c) of Act No. 45 of 2003 with effect from 1 June, 2004 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
“director”, in relation to a close corporation, means any person who in respect of such close corporation holds any office or performs any functions similar to the office or functions of a director of a company other than a close corporation;
[Definition of “director” inserted by s. 2 (1) (a) of Act No. 96 of 1985.]
“dividend” means any amount, other than a dividend consisting of a distribution of an asset in specie declared and paid as contemplated in section 31 (3), transferred or applied by a company that is a resident for the benefit or on behalf of any person in respect of any share in that company, whether that amount is transferred or applied—
(a)
by way of a distribution made by; or
(b)
as consideration for the acquisition of any share in,
that company, but does not include any amount so transferred or applied to the extent that the amount so transferred or applied—
(i)
results in a reduction of contributed tax capital of the company;
(ii)
constitutes shares in the company; or
(iii)
constitutes an acquisition by the company of its own securities by way of a general repurchase of securities as contemplated in subparagraph (b) of paragraph 5.67(B) of section 5 of the JSE Limited Listings Requirements, where that acquisition complies with any applicable requirements prescribed by paragraphs 5.68 and 5.72 to 5.81 of section 5 of the JSE Limited Listings Requirements or a general repurchase of securities 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 acquisition complies with the applicable requirements of that exchange;
[Definition of “dividend” amended by s. 3 (c) of Act No. 90 of 1962, substituted by s. 4 (1) (e) of Act No. 85 of 1974, amended by s. 4 (1) (c)-(g) of Act No. 69 of 1975, by s. 4 (1) (a) and (b) of Act No. 113 of 1977, by s. 3 (1) (b) of Act No. 101 of 1978, by s. 1 (1) (b) of Act No. 108 of 1986, by s. 2 (1) (c) and (d) of Act No. 113 of 1993, by s. 10 (1) (b)-(h) of Act No. 53 of

1999, by s. 13 (1) (e) of Act No. 30 of 2000, by s. 6 (1) (f) and (g) of Act No. 74 of 2002, by s. 12 (1) (d) of Act No. 45 of 2003, by s. 3 (1) (d) of Act No. 32 of 2005, by s. 19 of Act No. 9 of 2006, by s. 3 (1) (e) and (f) of Act No. 20 of 2006, by s. 5 (1) (b)-(p) of Act No. 35 of 2007, by s. 2 (1) (d)-(i) of Act No. 3 of 2008 (Editorial Note: s. 4 (1) (c) of Act No. 60 of 2008 deleted by s. 138 (1) (a) of Act No. 7 of 2010 as substituted by s. 167 (1) of Act No. 24 of 2011 deemed to have come into operation on 24 August, 2010) and by s. 7 (1) (gA) of Act No. 17 of 2009 (Editorial Note: as inserted by s. 145 (1) (a) of Act No. 7 of 2010 with effect from the date of promulgation of that Act, 2 November, 2010 – effective date in s. 145 (2) of Act No. 7 of 2010 as substituted by s. 168 (1) of Act No. 24 of 2011), substituted by s. 7 (1) (h) of Act No. 17 of 2009 with effect from 1 January, 2011 (Editorial Note: effective date in s. 7 (3) of Act No. 17 of 2009 as substituted by s. 145 (1) (b) of Act No. 7 of 2010), amended by s. 7 (1) (d), (e) and (f) of Act No. 24 of 2011 deemed to have come into operation on 1 January, 2011, substituted by s. 7 (1) (g) of Act No. 24 of 2011 and amended by s. 1 (1) (b) of Act No. 23 of 2018 with effect from 1 January, 2019 and applicable in respect of years of assessment commencing on or after that date. Para. (iii) substituted by s. 2 (1) (b) of Act No. 17 of 2017 and by s. 2 (1) (a) of Act No. 34 of 2019.]

Wording of Sections

"domestic company" . . . . . .

[Definition of "domestic company" inserted by s. 4 (1) (f) of Act No. 85 of 1974 and deleted by s. 2 (a) of Act No. 59 of 2000.]

Wording of Sections

"domestic treasury management company" means a company—

(a)

that is incorporated or deemed to be incorporated—

(i)

by or under any law in force in the Republic and is not subject to exchange control restrictions by virtue of being registered with the financial surveillance department of the South African Reserve Bank; or

(ii)

by or under the law of any country other than the Republic and is not subject to exchange control restrictions by virtue of being registered before 1 January 2019 with the financial surveillance department of the South African Reserve Bank; and

(b)

that has its place of effective management in the Republic;

[Definition of "domestic treasury management company" inserted by s. 4 (1) (o) of Act No. 31 of 2013, amended by s. 2 (1) (c) of Act No. 17 of 2017 and substituted by s. 2 (1) (b) of Act No. 34 of 2019.]

Wording of Sections

"entertainment expenditure" . . . . . .

[Definition of "entertainment expenditure" inserted by s. 2 (1) (e) of Act No. 121 of 1984 and deleted by s. 2 (1) (j) of Act No. 3 of 2008.]

Wording of Sections

"equity share" means any share in a company, excluding any share that, neither as respects dividends or foreign dividends, nor as respects returns of capital or foreign returns of capital, carries any right to participate beyond a specified amount in a distribution;

[Definition of "equity share" (previously definition of "equity share capital") substituted by s. 3 (1) (d) of Act No. 8 of 2007, by s. 6 (1) (g) of Act No. 7 of 2010, by s. 7 (1) (h) and (i) of Act No. 24 of 2011 and by s. 1 (1) (a) of Act No. 5 of 2026 deemed to have come into operation on 1 April 2012.]

Wording of Sections

"Estate Duty Act" means the Estate Duty Act, 1955 (Act No. 45 of 1955);

[Definition of "Estate Duty Act" inserted by s. 1 (1) (i) of Act No. 43 of 2014.]

"executor" means any person to whom letters of administration have been granted by a Master or an Assistant Master of the High Court appointed under the Administration of Estates Act,

1965 (Act No. 66 of 1965), in respect of the estate of a deceased person under any law relating to the administration of estates, and includes a person acting or authorized to act under letters of administration granted outside the Republic but signed and sealed by such a Master or Assistant Master for use within the Republic and, in any case where the estate is not required to be administered under the supervision of such a Master or Assistant Master, the person administering the estate;
[Definition of "executor" substituted by s. 2 (1) (f) of Act No. 28 of 1997.]
Wording of Sections
"external company" . . . . . .
[Definition of "external company" inserted by s. 4 (1) (i) of Act No. 85 of 1974 and deleted by s. 2 (b) of Act No. 59 of 2000.]
Wording of Sections
"financial instrument" includes—
(a)
a loan, advance, debt, bond, debenture, bill, share, promissory note, banker's acceptance, negotiable certificate of deposit, deposit with a financial institution, a participatory interest in a portfolio of a collective investment scheme, or a similar instrument;
[Para. (a) substituted by s. 7 (1) (j) of Act No. 24 of 2011 with effect from 1 January, 2012.]
Wording of Sections
(b)
any repurchase or resale agreement, forward purchase arrangement, forward sale arrangement, futures contract, option contract or swap contract;
(c)
any other contractual right or obligation the value of which is determined directly or indirectly with reference to—
(i)
a debt security or equity;
(ii)
any commodity as quoted on an exchange; or
(iii)
a rate index or a specified index;
[Para. (c) substituted by s. 3 (1) (a) of Act No. 32 of 2004.]
Wording of Sections
(d)
any interest-bearing arrangement;
[Para. (d) amended by s. 1 (1) (c) of Act No. 23 of 2018.]
Wording of Sections
(e)
any financial arrangement based on or determined with reference to the time value of money or cash flow or the exchange or transfer of an asset; and
[Para. (e) amended by s. 1 (1) (c) of Act No. 23 of 2018.]
Wording of Sections
(f)
any crypto asset;
[Definition of "financial instrument" inserted by s. 6 (1) (h) of Act No. 74 of 2002 with effect from the date of promulgation of that Act, 13 December, 2002. Para. (f) added by s. 1 (1) (c) of Act No. 23 of 2018 and substituted by s. 2 (1) (c) of Act No. 23 of 2020.]
Wording of Sections
"Financial Markets Act" means the Financial Markets Act, 2012 (Act No. 19 of 2012);
[Definition of "Financial Markets Act" inserted by s. 4 (1) (p) of Act No. 31 of 2013 deemed to have come into operation on 3 June, 2013.]
"Financial Sector Conduct Authority" means the Financial Sector Conduct Authority as defined in section 1 of the Financial Sector Regulation Act;

[Definition of “Financial Sector Conduct Authority” inserted by s. 1 (1) (d) of Act No. 23 of 2018 deemed to have come into operation on 1 April, 2018.]
“Financial Sector Regulation Act” means the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017);
[Definition of “Financial Sector Regulation Act” inserted by s. 1 (1) (g) of Act No. 23 of 2018 deemed to have come into operation on 1 April, 2018.]
“Financial Services Board” . . . . . .
[Definition of “Financial Services Board” inserted by s. 1 (1) (j) of Act No. 43 of 2014 and deleted by s. 1 (1) (e) of Act No. 23 of 2018 deemed to have come into operation on 1 April, 2018.]
Wording of Sections
“Financial Services Board Act” . . . . . .
[Definition of “Financial Services Board Act” inserted by s. 1 (1) (j) of Act No. 43 of 2014 and deleted by s. 1 (1) (e) of Act No. 23 of 2018 deemed to have come into operation on 1 April, 2018.]
Wording of Sections
“financial year”, in relation to any company, means—
(a)
the period, whether of 12 months or not, commencing upon the date of incorporation or creation of such company and ending upon the last day of February immediately succeeding such date or upon such other date as the Commissioner having regard to the circumstances of the case may approve; or
(b)
any period subsequent to the period referred to in paragraph (a), whether of 12 months or not, commencing immediately after the last day of the immediately preceding financial year of such company and ending upon the first anniversary of such last day or upon such other date as the Commissioner having regard to the circumstances of the case may approve;
[Definition of “financial year” inserted by s. 1 (a) of Act No. 6 of 1963 and substituted by s. 6 (1) (a) of Act No. 89 of 1969 and by s. 2 (1) (a) of Act No. 94 of 1983.]
Wording of Sections
“FLAC instrument” means an instrument contemplated in the Prudential Standard RA03 regulations issued in terms of section 105 (2) (c), read with sections 30 (1A) and 42 (b) (vi) of the Financial Sector Regulation Act;
[Definition of “FLAC instrument” inserted by s. 1 (1) (b) of Act No. 5 of 2026 with effect from 1 January 2026.]
“foreign company” means any company which is not a resident;
[Definition of “foreign company” inserted by s. 6 (1) (h) of Act No. 7 of 2010 with effect from the commencement of years of assessment commencing on or after 1 January, 2011.]
“foreign dividend” means any amount that is paid or payable by a foreign company in respect of a share in that foreign company where that amount is treated as a dividend or similar payment by that foreign company for the purposes of the laws relating to—
(a)
tax on income on companies of the country in which that foreign company has its place of effective management; or
(b)
companies of the country in which that foreign company is incorporated, formed or established, where the country in which that foreign company has its place of effective management does not have any applicable laws relating to tax on income,
but does not include any amount so paid or payable that—
(i)
constitutes a redemption or other disposal of a participatory interest in an arrangement or scheme contemplated in paragraph (e) (ii) of the definition of “company” to that arrangement or scheme or to the management company of that arrangement or scheme; or
[Para. (i) substituted by s. 1 (1) (a) of Act No. 20 of 2022.]

Wording of Sections
(ii)
. . . . . .
[Para. (ii) deleted by s. 2 (1) (f) of Act No. 22 of 2012 deemed to have come into operation on 1 March, 2012.]
Wording of Sections
(iii)
constitutes a share in that foreign company;
[Definition of "foreign dividend" inserted by s. 12 (1) (e) of Act No. 45 of 2003 (Editorial Note: pending amendment by s. 4 (1) (d) of Act No. 60 of 2008 deleted by s. 138 (1) (a) of Act No. 7 of 2010) and substituted by s. 6 (1) (i) of Act No. 7 of 2010 and by s. 7 (1) (k) of Act No. 24 of 2011 deemed to have come into operation on 1 January, 2011. Para. (iii) added by s. 2 (1) (g) of Act No. 22 of 2012 deemed to have come into operation on 1 January, 2011.]
Wording of Sections
"foreign equity instrument" . . . . . .
[Definition of "foreign equity instrument" inserted by s. 17 (1) (a) of Act No. 60 of 2001, amended by s. 6 (1) (i) and (j) of Act No. 74 of 2002 and deleted by s. 4 (1) (q) of Act No. 31 of 2013.]
Wording of Sections
"foreign investment entity" means any person other than a natural person—
(a)
that is not incorporated, established or formed in the Republic;
(b)
the assets of which consist solely of a portfolio of one or more of the following:
(i)
amounts in cash or that constitute cash equivalents;
(ii)
financial instruments that—
(aa)
are issued by a listed company or by the government of the Republic in the national, provincial or local sphere; or
(bb)
if not issued by a listed company or by the government of the Republic in the national, provincial or local sphere, are traded by members of the general public and a market for that trade exists;
(iii)
financial instruments, the values of which are determined with reference to financial instruments contemplated in subparagraph (ii); or
(iv)
rights to receive any asset contemplated in subparagraph (i), (ii) or (iii),
which amounts, financial instruments and rights are held by that person for investment purposes;
(c)
where no more than 10 per cent of the shares, units or other form of participatory interest in that person are directly or indirectly held by persons that are residents; and
(d)
where that person has no employees and has no directors or trustees that are engaged in the management of that person on a full-time basis;
[Definition of "foreign investment entity" inserted by s. 2 (1) (h) of Act No. 22 of 2012 with effect from 1 January, 2013 and applicable in respect of years of assessment commencing on or after that date.]
"foreign partnership", in respect of any year of assessment, means any partnership, association, body of persons or entity formed or established under the laws of any country other than the Republic if—

(a)
for the purposes of the laws relating to tax on income of the country in which that partnership, association, body of persons or entity is formed or established—
(i)
each member of the partnership, association, body of persons or entity is required to take into account the member's interest in any amount received by or accrued to that partnership, association, body of persons or entity when that amount is received by or accrued to the partnership, association, body of persons or entity; and
(ii)
the partnership, association, body of persons or entity is not liable for or subject to any tax on income, other than a tax levied by a municipality, local authority or a comparable authority, in that country; or
[Sub-para. (ii) substituted by s. 3 (1) (g) of Act No. 25 of 2015 deemed to have come into operation on 31 December, 2015 and applicable in respect of years of assessment ending on or after that date.]
Wording of Sections
(b)
where the country in which that partnership, association, body of persons or entity is formed or established does not have any applicable laws relating to tax on income—
(i)
any amount—
(aa)
that is received by or accrued to; or
(bb)
of expenditure that is incurred by,
the partnership, association, body of persons or entity is allocated concurrently with the receipt, accrual or incurral to the members of that partnership, association, body of persons or entity in terms of an agreement between those members; and
(ii)
no amount distributed to a member of a partnership, association, body of persons or entity may exceed the allocation contemplated in subparagraph (i) after taking into account any prior distributions made by the partnership, association, body of persons or entity;
[Definition of "foreign partnership" inserted by s. 6 (1) (j) of Act No. 7 of 2010 with effect from the commencement of years of assessment commencing on or after 1 October, 2011 in the case of any foreign partnership that is established or formed before 24 August, 2010, and with effect from the date of establishment or formation in the case of any foreign partnership that is established or formed on or after 24 August, 2010 (Editorial Note: effective date in s. 6 (4) (a) of Act No. 7 of 2010 as substituted by s. 159 (1) (b) of Act No. 24 of 2011) and substituted by s. 7 (1) (l) of Act No. 24 of 2011 deemed to have come into operation as from the commencement of years of assessment commencing on or after 1 October, 2011 in the case of any foreign partnership that is established or formed before 24 August, 2010, and as from the date of establishment or formation in the case of any foreign partnership that is established or formed on or after 24 August, 2010.]
Wording of Sections
"foreign return of capital" means any amount that is paid or payable by a foreign company in respect of any share in that foreign company where that amount is treated as a distribution or similar payment (other than an amount that constitutes a foreign dividend) by that foreign company for the purposes of the laws relating to—
(a)
tax on income on companies of the country in which that foreign company has its place of effective management; or
(b)

companies of the country in which that foreign company is incorporated, formed or established, where that country in which that foreign company has its place of effective management does not have any applicable laws relating to tax on income,
but does not include any amount so paid or payable to the extent that the amount so paid or payable—
(i)
is deductible by that foreign company in the determination of any tax on income of companies of the country in which that foreign company has its place of effective management; or
(ii)
constitutes shares in that foreign company;
[Definition of "foreign return of capital" inserted by s. 7 (1) (m) of Act No. 24 of 2011 and amended by s. 2 (1) (i) of Act No. 22 of 2012 deemed to have come into operation on 1 January, 2011 and applicable in respect of amounts paid or that became payable on or after that date.]
Wording of Sections
"foreign tax year", in relation to a foreign company, means any year or period of reporting for foreign income tax purposes by that company or, if that company is not subject to foreign income tax, any annual period of financial reporting by that company;
[Definition of "foreign tax year" inserted by s. 2 (1) (j) of Act No. 22 of 2012 deemed to have come into operation on 1 January, 2012 and applicable in respect of foreign tax years ending during years of assessment commencing on or after that date.]
"functional currency", in relation to—
(a)
a person, means the currency of the primary economic environment in which the business operations of that person are conducted; and
(b)
a permanent establishment of any person, means the currency of the primary economic environment in which the business operations of that permanent establishment are conducted;
[Definition of "functional currency" inserted by s. 6 (1) (k) of Act No. 7 of 2010 with effect from the commencement of years of assessment commencing on or after 1 January, 2011.]
"government grant" . . . . . .
[Definition of "government grant" inserted by s. 3 (1) (e) of Act No. 32 of 2005 and deleted by s. 2 (1) (k) of Act No. 22 of 2012 with effect from 1 January, 2013 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
"government scrapping payment" . . . . . .
[Definition of "government scrapping payment" inserted by s. 3 (1) (g) of Act No. 20 of 2006 and deleted by s. 2 (1) (l) of Act No. 22 of 2012 with effect from 1 January, 2013 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
"gross income", in relation to any year or period of assessment, means—
(i)
in the case of any resident, the total amount, in cash or otherwise, received by or accrued to or in favour of such resident; or
(ii)
in the case of any person other than a resident, the total amount, in cash or otherwise, received by or accrued to or in favour of such person from a source within the Republic,
[Para. (ii) substituted by s. 2 (1) (m) of Act No. 22 of 2012 deemed to have come into operation on 1 January, 2012 and applicable in respect of amounts received or accrued during years of assessment commencing on or after that date.]
Wording of Sections
during such year or period of assessment, excluding receipts or accruals of a capital nature, but including, without in any way limiting the scope of this definition, such amounts (whether of a capital nature or not) so received or accrued as are described hereunder, namely—

(a)
any amount received or accrued by way of an annuity, including any amount contemplated in the definition of “living annuity” or the definition of “annuity amount” in section 10A (1), other than an amount contemplated in paragraph (d) (ii);
[Para. (a) substituted by s. 2 (1) (e) of Act No. 113 of 1993, by s. 2 (1) (k) of Act No. 3 of 2008, by s. 2 (1) (n) of Act No. 22 of 2012 and by s. 1 (1) (b) of Act No. 20 of 2022.]
Wording of Sections
(b)
any amount payable to the taxpayer—
(i)
by the spouse or former spouse of that taxpayer, under any judicial order or written agreement of separation or under any order of divorce, by way of alimony or allowance or maintenance of the taxpayer; or
(ii)
in terms of any maintenance order for the maintenance of a child as contemplated in section 15 (1) of the Maintenance Act, 1998 (Act No. 99 of 1998);
[Para. (b) substituted by s. 5 (1) (q) of Act No. 35 of 2007 deemed to have come into operation on 13 September, 2007.]
Wording of Sections
(c)
any amount, including any voluntary award, received or accrued in respect of services rendered or to be rendered or any amount (other than an amount referred to in section 8 (1), 8B or 8C) received or accrued in respect of any employment or the holding of any office: Provided that—
(i)
the provisions of this paragraph shall not apply in respect of any benefit or advantage in respect of which the provisions of paragraph (i) apply;
[Para. (i) substituted by s. 2 (1) (b) of Act No. 96 of 1985.]
Wording of Sections
(ii)
any amount received by or accrued to or for the benefit of any person in respect of services rendered or to be rendered by any other person shall for the purposes of this definition be deemed to have been received by or to have accrued to the said other person;
(iii)
to (vi) inclusive . . . . . .
[Paras. (iii) to (vi) inclusive deleted by s. 9 (a) of Act No. 30 of 2002.]
Wording of Sections
(vii)
the provisions of this paragraph shall not apply in respect of any amount received by or accrued to or for the benefit of any person in respect of long service as defined in paragraph 5 (4) of the Seventh Schedule, to the extent that the aggregate value of an amount determined under this paragraph together with all amounts determined under paragraphs 5 (2) (b), 6 (4) (d) and 10 (2) (e) of the Seventh Schedule do not exceed R5 000;
[Para. (c) amended by s. 3 (d) of Act No. 90 of 1962, by s. 5 (a) of Act No. 55 of 1966 and by s. 4 (1) (h) of Act No. 69 of 1975, substituted by s. 2 (1) (f) of Act No. 121 of 1984 and amended by s. 7 (1) (n) of Act No. 24 of 2011 and by s. 5 (1) (b) of Act No. 15 of 2016 with effect from 1 March, 2017 and applicable in respect of years of assessment ending on or after that date. Para. (vii) added by s. 4 (1) (d) of Act No. 20 of 2021 with effect from 1 March, 2022 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(cA)
any amount received by or accrued to any person who—
(i)
. . . . . .

[Sub-para. (i) deleted by s. 1 (1) (k) of Act No. 43 of 2014 with effect from 1 March, 2015.]
Wording of Sections
(ii)
is or was a labour broker as defined in the Fourth Schedule (other than a labour broker in respect of which a certificate of exemption has been issued in terms of that Schedule);
(iii)
is or was a personal service provider as defined in the Fourth Schedule; or
[Sub-para. (iii) substituted by s. 4 (1) (e) of Act No. 60 of 2008 with effect from 1 March, 2009 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(iv)
was a personal service company or personal service trust as defined in the Fourth Schedule prior to section 66 of the Revenue Laws Amendment Act, 2008, coming into operation,
[Sub-para. (iv) substituted by s. 4 (1) (e) of Act No. 60 of 2008 with effect from 1 March, 2009 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
as consideration for any restraint of trade imposed on such person;
[Para. (cA) inserted by s. 13 (1) (f) of Act No. 30 of 2000 and amended by s. 7 (1) (o) of Act No. 24 of 2011 with effect from the date on which Part VIII of Chapter II of this Act comes into operation: 1 April, 2012.]
Wording of Sections
(cB)
any amount received by or accrued to any natural person as consideration for any restraint of trade imposed on that person in respect or by virtue of—
(i)
employment or the holding of any office; or
(ii)
any past or future employment or the holding of an office;
[Para. (cB) inserted by s. 1 (1) (l) of Act No. 43 of 2014 with effect from 1 March, 2015.]
(d)
any amount (other than an amount contemplated in paragraph (a)), including any voluntary award, received or accrued—
(i)
in respect of the relinquishment, termination, loss, repudiation, cancellation or variation of any office or employment or of any appointment (or right or claim to be appointed) to any office or employment;
(ii)
by or to a person, or dependant or nominee of the person, directly or indirectly in respect of proceeds from a policy of insurance where the person is or was an employee or director of the policyholder; or
[Sub-para. (ii) substituted by s. 2 (1) (o) of Act No. 22 of 2012 deemed to have come into operation on 1 March, 2012 and applicable in respect of amounts received or accrued on or after that date.]
Wording of Sections
(iii)
by or to a person, or dependant or nominee of the person, in respect of any policy of insurance (other than a risk policy with no cash value or surrender value) that has been ceded to—
(aa)
the person;
(bb)
a dependant or nominee of the person; or
(cc)
. . . . . .

[Item (cc) deleted by s. 2 (1) (p) of Act No. 22 of 2012 deemed to have come into operation on 1 March, 2012 and applicable in respect of amounts received or accrued on or after that date.]
Wording of Sections
for the benefit of the person, or dependant or nominee of the person, by—
(A)
the employer or former employer of the person; or
(B)
the company of which the person is or was a director:
Provided that—
(aa)
the provisions of subparagraphs (i) and (ii) shall not apply to any lump sum award from any pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund;
(bb)
any such amount which becomes payable in consequence of or following upon the death of any person shall be deemed to be an amount which accrued to such person immediately prior to his or her death;
(cc)
for the purposes of subparagraphs (ii) and (iii), any amount received by or accrued to a dependant or nominee of a person shall be deemed to be received by or to accrue to that person;
[Para. (d) amended by s. 2 (1) (b) of Act No. 65 of 1986, by s. 2 (1) (l) of Act No. 3 of 2008 and substituted by s. 7 (1) (p) of Act No. 24 of 2011 with effect from 1 March, 2012 and applicable in respect of receipts and accruals on or after that date.]
Wording of Sections
(e)
a retirement fund lump sum benefit or retirement fund lump sum withdrawal benefit other than any amount included under paragraph (eA);
[Para. (e) amended by s. 3 (e) of Act No. 90 of 1962, by s. 4 (a) of Act No. 72 of 1963, by s. 2 (1) (b) of Act No. 94 of 1983, by s. 2 (1) (g) of Act No. 28 of 1997, by s. 19 (1) (e) and (f) of Act No. 30 of 1998, by s. 3 (a) of Act No. 19 of 2001 and by s. 3 (1) (e) of Act No. 8 of 2007 and substituted by s. 2 (1) (m) of Act No. 3 of 2008 and by s. 7 (1) (q) of Act No. 24 of 2011.]
Wording of Sections
(eA)
where, in relation to a member who effectively remains in the employment of the same employer, or the dependants or nominees of a deceased member—
(i)
any amount in a fund contemplated in paragraph (a), (b) or (d) of the definition of "pension fund" or paragraph (a), (b) or (c) of the definition of "provident fund", the rules of which provide that on retirement of such member a portion of his benefit has to be taken in the form of an annuity, has been transferred to a fund, the rules of which entitle such member, or the dependants or nominees of a deceased member, to a benefit on retirement in the form of a lump sum exceeding one-third of the capitalised value of all benefits (including lump sum payments and annuities); or
[Sub-para. (i) substituted by s. 5 (1) (c) of Act No. 15 of 2016 and by s. 1 (1) (c) of Act No. 20 of 2022 deemed to have come into operation on 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(ii)
a fund contemplated in paragraph (a), (b) or (d) of the definition of "pension fund" or paragraph (a), (b) or (c) of the definition of "provident fund", the rules of which provide that on retirement of such member a portion of his benefit has to be taken in the form of an annuity, is wholly or partially converted by way of an amendment to its rules or otherwise, to entitle such member,

or the dependants or nominees of a deceased member, to a benefit on retirement in the form of a lump sum exceeding one-third of the capitalised value of all benefits (including lump sum payments and annuities); or
[Sub-para. (ii) amended by s. 19 (1) (h) of Act No. 30 of 1998 and substituted by s. 5 (1) (c) of Act No. 15 of 2016 and by s. 1 (1) (c) of Act No. 20 of 2022 deemed to have come into operation on 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(iii)
any amount in a fund contemplated in paragraph (a), (b) or (d) of the definition of "pension fund" or paragraph (a), (b) or (c) of the definition of "provident fund" has become payable to the member or is being utilised to redeem a debt,
[Sub-para. (iii) added by s. 19 (1) (i) of Act No. 30 of 1998 and substituted by s. 5 (1) (c) of Act No. 15 of 2016 and by s. 1 (1) (c) of Act No. 20 of 2022 deemed to have come into operation on 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
an amount equal to two-thirds—
(aa)
of the amount so transferred; or
(bb)
in the case of a conversion, of the amount representing the amount converted for the benefit or ultimate benefit of the member or the dependants or nominees of the deceased member, and such amount shall be deemed to have been received by or accrued to or in favour of such member, dependants or nominees, as the case may be: Provided that where a court order granting a decree of divorce in respect of such member has made an order that any part of such amount shall be paid to the former spouse of such member, as provided for in section 7 (8) of the Divorce Act, 1979 (Act No. 70 of 1979), such part shall for the purposes of this paragraph be deemed to be an amount converted for the benefit or ultimate benefit of such member; or
[Sub-para. (bb) amended by s. 19 (1) (j) of Act No. 30 of 1998, substituted by s. 10 (1) (i) of Act No. 53 of 1999 and amended by s. 17 (1) (b) of Act No. 60 of 2001 with effect from the date of promulgation of that Act, 12 December, 2001 and applicable in respect of any amount converted on or after that date.]
(cc)
in the case of an amount becoming payable to a member or being utilised to redeem a debt, of the amount so payable or so utilised:
[Sub-para. (cc) added by s. 19 (1) (k) of Act No. 30 of 1998 with effect from the date of promulgation of that Act, 29 June, 1998.]
Provided that the Commissioner may, on application by a fund, in particular circumstances, increase the proportion of one-third contemplated in subparagraph (i) up to a maximum of one-half on the following conditions:
(a)
that on 12 March 1997 the proportion of the benefit on retirement in such fund that could be taken in the form of a lump sum was greater than one-third, but not greater than one-half, of the total capitalized value of all benefits;
(b)
that the rules of such fund are amended so that the maximum proportion of such member's benefit on retirement that can be taken in the form of a lump sum is one-third of the total capitalized value of all benefits; and
(c)
such further conditions as the Commissioner may determine from time to time;
[Para. (eA) inserted by s. 4 (1) (a) of Act No. 90 of 1972, substituted by s. 4 (1) (a) of Act No. 65 of 1973, deleted by s. 2 (1) (f) of Act No. 113 of 1993, inserted by s. 2 (1) (h) of Act No. 28 of

1997 and amended by s. 19 (1) (g) of Act No. 30 of 1998 with effect from the date of promulgation of that Act, 29 June, 1998.]
Wording of Sections
(eB)
. . . . . .
[Para. (eB) inserted by s. 13 (1) (g) of Act No. 30 of 2000, substituted by s. 2 (1) (n) of Act No. 3 of 2008 and deleted by s. 7 (1) (i) of Act No. 17 of 2009 deemed to have come into operation as from the commencement of years of assessment ending on or after 1 January, 2009.]
Wording of Sections
(eC)
. . . . . .
[Para. (eC) inserted by s. 4 (1) (f) of Act No. 60 of 2008 and deleted by s. 7 (1) (j) of Act No. 17 of 2009 deemed to have come into operation on 1 March, 2009 and applicable in respect of amounts awarded on or after that date.]
Wording of Sections
(eD)
a savings withdrawal benefit;
[Para. (eD) inserted by s. 1 (1) (a) of Act No. 12 of 2024 with effect from 1 September, 2024 (Editorial Note: effective date in s. 1 (2) of Act No. 12 of 2024 as substituted by s. 2 of Act No. 6 of 2025).]
Wording of Sections
(f)
any amount received or accrued in commutation of amounts due under any contract of employment or service;
(g)
any amount received or accrued from another person, as a premium or consideration in the nature of a premium—
(i)
for the use or occupation or the right of use or occupation of land or buildings; or
(ii)
for the use or the right of use of plant or machinery; or
(ii)bis
for the use or the right of use of any motion picture film or any film or video tape or disc for use in connection with television or any sound recording or advertising matter connected with such motion picture film, film or video tape or disc; or
(iii)
for the use or right of use of any patent as defined in the Patents Act or any design as defined in the Designs Act or any trade mark as defined in the Trade Marks Act or any copyright as defined in the Copyright Act or any model, pattern, plan, formula or process or any other property or right of a similar nature;
[Para. (g) amended by s. 3 (f) and (g) of Act No. 90 of 1962 and by s. 6 (1) (b) of Act No. 89 of 1969, substituted by s. 4 (1) (b) of Act No. 65 of 1973 and amended by s. 7 (1) (r) of Act No. 24 of 2011 with effect from the date on which Part VIII of Chapter II of this Act comes into operation: 1 April, 2012. Sub-para. (iii) substituted by s. 2 (1) (a) of Act No. 129 of 1991, by s. 10 (1) (j) of Act No. 53 of 1999 and by s. 4 (1) (r) of Act No. 31 of 2013.]
Wording of Sections
(gA)
any amount received or accrued from another person as consideration for the imparting of or the undertaking to impart any scientific, technical, industrial or commercial knowledge or information, or for the rendering of or the undertaking to render any assistance or service in connection with the application or utilization of such knowledge or information;
[Para. (gA) inserted by s. 4 (1) (c) of Act No. 65 of 1973 and substituted by s. 2 (d) of Act No. 59 of 2000 and by s. 7 (1) (s) of Act No. 24 of 2011 with effect from the date on which Part VIII of Chapter II of this Act comes into operation: 1 April, 2012.]

Wording of Sections
(h)
in the case of any person to whom, in terms of any agreement relating to the grant to any other person of the right of use or occupation of land or buildings, or by virtue of the cession of any rights under any such agreement, there has accrued in any such year or period the right to have improvements effected on the land or to the buildings by any other person—
(i)
the amount stipulated in the agreement as the value of the improvements or as the amount to be expended on the improvements; or
(ii)
if no amount is so stipulated, an amount representing the fair and reasonable value of the improvements;
[Sub-para. (ii) substituted by s. 2 (1) (g) of Act No. 113 of 1993.]
Wording of Sections
(i)
the cash equivalent, as determined under the provisions of the Seventh Schedule, of the value during the year of assessment of any benefit or advantage granted in respect of employment or to the holder of any office, being a taxable benefit as defined in the said Schedule, and any amount required to be included in the taxpayer's income under section 8A;
[Para. (i) substituted by s. 6 (1) (c) of Act No. 89 of 1969, by s. 6 (a) of Act No. 52 of 1970 and by s. 2 (1) (g) of Act No. 121 of 1984.]
Wording of Sections
(j)
so much of the sum of any amounts received or accrued during any year of assessment in respect of disposals of assets the cost of which has in whole or in part been included in capital expenditure taken into account (whether under this Act or any previous Income Tax Act) for the purposes of any deduction in respect of any mine under section 15 (a) of this Act or the corresponding provisions of any previous Income Tax Act, as exceeds the sum of so much of any capital expenditure as in the case of such mine is unredeemed at the commencement of the said year of assessment and the capital expenditure that is incurred during that year in respect of such mine, as determined before applying the definition of "capital expenditure incurred" in section 36 (11);
[Para. (j) substituted by s. 6 (1) (d) of Act No. 89 of 1969, by s. 4 (1) (d) of Act No. 65 of 1973, by s. 4 (1) (j) of Act No. 85 of 1974, by s. 2 (1) (c) of Act No. 94 of 1983 and by s. 2 (b) of Act No. 141 of 1992.]
Wording of Sections
(jA)
any amount received by or accrued to any person during the year of assessment in respect of the disposal of any asset manufactured, produced, constructed or assembled by that person, which is similar to any other asset manufactured, produced, constructed or assembled by that person for purposes of manufacture, sale or exchange by that person or on that person's behalf;
[Para. (jA) inserted by s. 17 (1) (c) of Act No. 60 of 2001 and substituted by s. 7 (1) (t) of Act No. 24 of 2011 with effect from the date on which Part VIII of Chapter II of this Act comes into operation: 1 April, 2012.]
Wording of Sections
(k)
any amount received or accrued by way of a dividend or a foreign dividend;
[Para. (k) substituted by s. 4 (1) (c) of Act No. 88 of 1971, by s. 13 (1) (h) of Act No. 30 of 2000, by s. 2 (e) of Act No. 59 of 2000, by s. 17 (1) (d) of Act No. 60 of 2001 and by s. 12 (1) (f) of Act No. 45 of 2003, amended by s. 7 (1) (k) of Act No. 17 of 2009 and substituted by s. 7 (1) (u) of Act No. 24 of 2011 with effect from 1 January, 2011 (Editorial Note: effective date in s. 7 (3) and (4) of Act No. 24 of 2011 as substituted by s. 164 (1) of Act No. 22 of 2012).]
Wording of Sections

(l)
any amount received or accrued by way of grant or subsidy in respect of any soil erosion works referred to in section 17A (1) or any of the matters mentioned in items (a) to (i), inclusive, of paragraph 12 (1) of the First Schedule;
[Para. (l) substituted by s. 5 (b) of Act No. 76 of 1968, by s. 4 (1) (c) of Act No. 113 of 1977 and by s. 2 (1) (h) of Act No. 113 of 1993.]
Wording of Sections
(lA)
any amount received by or accrued to a company or association as contemplated in subparagraph (ii) of section 11E;
[Para. (lA) inserted by s. 5 of Act No. 95 of 1967, deleted by s. 2 (c) of Act No. 141 of 1992 and inserted by s. 6 (1) (l) of Act No. 7 of 2010 deemed to have come into operation as from the commencement of years of assessment ending on or after 1 January, 2008.]
Wording of Sections
(lB)
. . . . . .
[Para. (lB) inserted by s. 3 (1) (a) of Act No. 91 of 1982 and deleted by s. 3 (1) (f) of Act No. 32 of 2005.]
Wording of Sections
(lC)
any amount received by or accrued to a person by way of a government grant as defined in section 12P;
[Para. (lC) inserted by s. 5 (1) (d) of Act No. 15 of 2016.]
(m)
any amount received or accrued in respect of a policy of insurance of which the taxpayer is the policyholder, where the policy relates to the death, disablement or illness of an employee or director (or former employee or director) of the taxpayer, including by way of any debt:
Provided that any amount so received or accrued shall be reduced by the amount of any such debt which is or has been included in the taxpayer’s gross income;
[Para. (m) substituted by s. 4 (1) (d) of Act No. 88 of 1971 and by s. 3 (1) (b) of Act No. 91 of 1982, amended by s. 2 (1) (d) of Act No. 94 of 1983 (Editorial Note: s. 6 (1) (m) of Act No. 7 of 2010 deleted by s. 159 (1) (a) of Act No. 24 of 2011), substituted by s. 7 (1) (v) of Act No. 24 of 2011, amended by s. 2 (1) (q) of Act No. 22 of 2012 and by s. 2 (1) (d) of Act No. 17 of 2017 and substituted by s. 2 (1) (d) of Act No. 23 of 2020.]
Wording of Sections
(mA)
. . .
(Editorial Note: Para. (mA) insertion by s. 6 (1) (n) of Act No. 7 of 2010 deleted by s. 159 (1) (a) of Act No. 24 of 2011.)
Wording of Sections
(n)
any amount which in terms of any other provision of this Act is specifically required to be included in the taxpayer’s income and that amount must for the purposes of this paragraph be deemed to have been received by or to have accrued to the taxpayer:
[Para. (n) substituted by s. 3 (1) (g) of Act No. 32 of 2005 and by s. 2 (1) (c) of Act No. 34 of 2019.]
Wording of Sections
Provided that where during any year of assessment a person has become entitled to any amount which is payable on a date or dates falling after the last day of such year, that amount shall be deemed to have accrued to the person during such year;
[Definition of “gross income” amended by s. 2 (1) (a) of Act No. 101 of 1990, by s. 2 (c) of Act No. 59 of 2000 and by s. 4 (1) (s) and (t) of Act No. 31 of 2013.]
Wording of Sections

“group of companies” means two or more companies in which one company (hereinafter referred to as the “controlling group company”) directly or indirectly holds shares in at least one other company (hereinafter referred to as the “controlled group company”), to the extent that—
(a)
at least 70 percent of the equity shares in each controlled group company are directly held by the controlling group company, one or more other controlled group companies or any combination thereof; and
[Para. (a) substituted by s. 7 (1) (w) of Act No. 24 of 2011 with effect from 1 April, 2012.]
Wording of Sections
(b)
the controlling group company directly holds at least 70 per cent of the equity shares in at least one controlled group company;
[Definition of “group of companies” inserted by s. 6 (1) (k) of Act No. 74 of 2002 and substituted by s. 3 (1) (h) of Act No. 32 of 2005 deemed to have come into operation on 8 November, 2005.]
Wording of Sections
“headquarter company”, in respect of any year of assessment means a company contemplated in section 9I (1) in respect of which an election has been made in terms of that section;
[Definition of “headquarter company” inserted by s. 6 (1) (o) of Act No. 7 of 2010 and substituted by s. 7 (1) (x) of Act No. 24 of 2011 deemed to have come into operation on 1 January, 2011 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
“hotel keeper” means any person carrying on the business of hotel keeper or boarding or lodging house keeper where meals and sleeping accommodation are supplied to others for money or its equivalent;
[Definition of “hotel keeper” substituted by s. 6 (1) (e) of Act No. 89 of 1969 and by s. 2 (b) of Act No. 36 of 1996.]
Wording of Sections
“hydrogen-powered vehicle” means any vehicle powered by hydrogen fuel cells;
[Definition of “hydrogen-powered vehicle” inserted by s. 1 (1) (e) of Act No. 42 of 2024 with effect from 1 March, 2026 and applicable in respect of assets brought into use on or after that date.]
“identical security” means in respect of a listed security, as defined in the Securities Transfer Tax Act, 2007 (Act No. 25 of 2007), that is the subject of a securities lending arrangement—
(a)
a security of the same class in the same company as that security; or
(b)
any other security that is substituted for that listed security 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;
[Definition of “identical security” inserted by s. 3 (1) (h) of Act No. 25 of 2015 with effect from 1 January, 2016. Para. (b) substituted by s. 5 (1) (e) of Act No. 15 of 2016 and by s. 1 (1) (d) of Act No. 20 of 2022.]
Wording of Sections
“identical share” means in respect of a share—
(a)
a share of the same class in the same company as that share; or
(b)
any other share that is 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;
[Definition of “identical share” inserted by s. 3 (1) (h) of Act No. 25 of 2015 with effect from 1 January, 2016. Para. (b) substituted by s. 5 (1) (f) of Act No. 15 of 2016, by s. 1 (1) (f) of Act No. 23 of 2018 and by s. 2 (1) (d) of Act No. 34 of 2019.]
Wording of Sections
“IFRS” means the International Financial Reporting Standards issued by the International Accounting Standards Board;
[Definition of “IFRS” inserted by s. 2 (1) (r) of Act No. 22 of 2012 with effect from 1 January, 2013.]
“income” means the amount remaining of the gross income of any person for any year or period of assessment after deducting therefrom any amounts exempt from normal tax under Part I of Chapter II;
“insolvent estate” means an insolvent estate as defined in section 2 of the Insolvency Act, 1936 (Act No. 24 of 1936);
[Definition of “insolvent estate” inserted by s. 2 (1) (i) of Act No. 28 of 1997.]
“Insurance Act” means the Insurance Act, 2017 (Act No.18 of 2017);
[Definition of “Insurance Act” (Editorial Note: pending insertion by s. 3 (1) (i) of Act No. 25 of 2015 deleted by s. 103 (1) (b) of Act No. 23 of 2018) inserted by s. 1 (1) (h) of Act No. 23 of 2018.]
Wording of Sections
“international headquarter company” . . . . . .
[Definition of “international headquarter company” inserted by s. 2 (f) of Act No. 59 of 2000 and deleted by s. 12 (1) (g) of Act No. 45 of 2003 with effect from 1 June, 2004 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
“JSE Limited Listings Requirements” means the JSE Limited Listings Requirements, 2003, made by the JSE Limited in terms of section 11 of the Financial Markets Act;
[Definition of “JSE Limited Listings Requirements” inserted by s. 7 (1) (l) of Act No. 17 of 2009 and substituted by s. 4 (1) (u) of Act No. 31 of 2013 deemed to have come into operation on 3 June, 2013.]
Wording of Sections
“legacy retirement annuity policy” means any policy issued to a retirement annuity fund by a long-term insurer before 1 September 2024 with a pre-universal life or universal life construct that meets the conditions determined in an official notice by the Financial Sector Conduct Authority;
[Definition of “legacy retirement annuity policy” inserted by s. 1 (1) (b) of Act No. 12 of 2024 and substituted by s. 1 (1) (a) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
“linked unit” means a unit comprising a share and a debenture in a company, where that share and that debenture are linked and are traded together as a single unit;
[Definition of “linked unit” inserted by s. 4 (1) (v) of Act No. 31 of 2013 deemed to have come into operation on 1 April, 2013 and applicable in respect of years of assessment commencing on or after that date.]
“liquidation and distribution account” means the account required to be submitted by an executor to a Master in accordance with section 35 of the Administration of Estates Act, 1965 (Act No. 66 of 1965);
[Definition of “liquidation and distribution account” inserted by s. 4 (1) (e) of Act No. 20 of 2021 with effect from 1 March, 2022 and applicable in respect of liquidation and distribution accounts finalised on or after that date.]

“listed company” means a company where its shares or depository receipts in respect of its shares are listed on—
(a)
an exchange as defined in section 1 of the Financial Markets Act and licensed under section 9 of that Act; or
[Para. (a) substituted by s. 3 (1) (b) of Act No. 32 of 2004, by s. 6 (1) (p) of Act No. 7 of 2010 and by s. 4 (1) (w) of Act No. 31 of 2013 deemed to have come into operation on 3 June, 2013.]
Wording of Sections
(b)
a stock exchange in a country other than the Republic which has been recognised by the Minister as contemplated in paragraph (c) of the definition of “recognised exchange” in paragraph 1 of the Eighth Schedule;
[Definition of “listed company” inserted by s. 6 (1) (l) of Act No. 74 of 2002 with effect from the date of promulgation of that Act, 13 December, 2002.]
“listed share” means a share that is listed on an exchange as defined in section 1 of the Financial Markets Act and licensed under section 9 of that Act;
[Definition of “listed share” inserted by s. 7 (1) (m) of Act No. 17 of 2009 and substituted by s. 4 (1) (x) of Act No. 31 of 2013 deemed to have come into operation on 3 June, 2013.]
Wording of Sections
“living annuity” means a right of a member or former member of a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund, or his or her dependant or nominee, or any subsequent nominee, to an annuity purchased from a person or provided by any fund on or after the retirement date of that member or former member in respect of which—
(a)
the value of the annuity is determined solely by reference to the value of assets which are specified in the annuity agreement and are held for purposes of providing the annuity;
[Para. (a) substituted by s. 4 (1) (h) of Act No. 60 of 2008.]
Wording of Sections
(b)
the amount of the annuity is determined in accordance with a method or formula prescribed by the Minister by notice in the Gazette;
(c)
the full remaining value of the assets contemplated in paragraph (a) may be paid as a lump sum when the value of those assets become at any time less than an amount prescribed by the Minister by notice in the Gazette;
(d)
the amount of the annuity is not guaranteed by that person or fund;
[Para. (d) substituted by s. 4 (1) (i) of Act No. 60 of 2008.]
Wording of Sections
(e)
on the death of the member or former member, the value of the assets referred to in paragraph (a) may be paid to a nominee of the member or former member as an annuity or lump sum or as an annuity and a lump sum, or, in the absence of a nominee, to the deceased’s estate as a lump sum;
[Para. (e) substituted by s. 4 (1) (i) of Act No. 60 of 2008 and by s. 7 (1) (y) of Act No. 24 of 2011 and amended by s. 2 (1) (e) of Act No. 23 of 2020 with effect from 1 March, 2021.]
Wording of Sections
(eA)
in anticipation of the termination of a trust, the value of the assets referred to in paragraph (a) must be paid to the trust as a lump sum pursuant to that termination; and
[Para. (eA) inserted by s. 2 (1) (f) of Act No. 23 of 2020 with effect from 1 March, 2021.]
(f)

further requirements regarding the annuity may be prescribed by the Minister by notice in the Gazette;
[Definition of “living annuity” inserted by s. 2 (1) (o) of Act No. 3 of 2008 and amended by s. 4 (1) (g) of Act No. 60 of 2008 and by s. 1 (1) (e) of Act No. 20 of 2022.]
Wording of Sections
“local authority” . . . . . .
[Definition of “local authority” amended by s. 4 (b) of Act No. 72 of 1963, substituted by s. 5 (a) of Act No. 88 of 1965 and by s. 2 (d) of Act No. 141 of 1992 and deleted by s. 3 (1) (h) of Act No. 20 of 2006.]
Wording of Sections
“Long-term Insurance Act” means the Long-term Insurance Act, 1998 (Act No. 52 of 1998);
[Definition of “Long-term Insurance Act” inserted by s. 4 (1) (y) of Act No. 31 of 2013.]
“low-cost residential unit” means—
(a)
an apartment qualifying as a residential unit in a building located within the Republic, where—
(i)
the cost of the apartment does not exceed R350 000; and
[Sub-para. (i) substituted by s. 3 (1) (a) of Act No. 23 of 2013 deemed to have come into operation on 1 April, 2013 and applicable (a) in the case of a unit contemplated in s. 13quat, in respect of any unit erected or extension, addition or improvement to such unit, brought into use on or after that date; (b) in the case of a unit contemplated in s. 13sex, in respect of any unit acquired on or after that date or any improvement to such unit effected on or after that date; and (c) in the case of a unit contemplated in s. 13sept or 36, in respect of any unit disposed of on or after that date (Editorial Note: effective date in s. 3 (2) of Act No. 23 of 2013 as substituted by s. 139 (1) of Act No. 25 of 2015).]
Wording of Sections
(ii)
the owner of the apartment does not charge a monthly rental in respect of that apartment that exceeds one per cent of the cost; or
(b)
a building qualifying as a residential unit located within the Republic, where—
(i)
the cost of the building does not exceed R300 000; and
[Sub-para. (i) substituted by s. 3 (1) (b) of Act No. 23 of 2013 deemed to have come into operation on 1 April, 2013 and applicable (a) in the case of a unit contemplated in s. 13quat, in respect of any unit erected or extension, addition or improvement to such unit, brought into use on or after that date; (b) in the case of a unit contemplated in s. 13sex, in respect of any unit acquired on or after that date or any improvement to such unit effected on or after that date; and (c) in the case of a unit contemplated in s. 13sept or 36, in respect of any unit disposed of on or after that date (Editorial Note: effective date in s. 3 (2) of Act No. 23 of 2013 as substituted by s. 139 (1) of Act No. 25 of 2015).]
Wording of Sections
(ii)
the owner of the building does not charge a monthly rental in respect of that building that exceeds one per cent of the cost contemplated in subparagraph (i) plus a proportionate share of the cost of the land and the bulk infrastructure:
Provided that for the purposes of paragraphs (a) (ii) and (b) (ii), the cost is deemed to be increased by 10 per cent in each year succeeding the year in which the apartment or building is first brought into use;
[Definition of “low-cost residential unit” inserted by s. 4 (1) (j) of Act No. 60 of 2008 deemed to have come into operation on 21 October, 2008.]
“lump sum benefit” means a retirement fund lump sum benefit or retirement fund lump sum withdrawal benefit;
[Definition of “lump sum benefit” inserted by s. 7 (1) (n) of Act No. 17 of 2009.]

“married” . . . . . .
[Definition of “married” deleted by s. 5 (e) of Act No. 5 of 2001.]
Wording of Sections
“married person” . . . . . .
[Definition of “married person” substituted by s. 3 (h) of Act No. 90 of 1962, by s. 5 (b) of Act No. 88 of 1965, by s. 4 (1) (e) of Act No. 88 of 1971 and by s. 4 (1) (b) of Act No. 90 of 1972, amended by s. 3 (1) (b) of Act No. 104 of 1979, by s. 2 (1) (d) of Act No. 104 of 1980, by s. 1 of Act No. 30 of 1984, by s. 2 (a) of Act No. 90 of 1988 and by s. 2 (a) of Act No. 70 of 1989 and deleted by s. 2 (b) of Act No. 21 of 1995.]
Wording of Sections
“married woman” . . . . . .
[Definition of “married woman” inserted by s. 2 (b) of Act No. 70 of 1989, substituted by s. 5 (f) of Act No. 5 of 2001 and deleted by s. 2 (1) (p) of Act No. 3 of 2008.]
Wording of Sections
“Medical Schemes Act” means the Medical Schemes Act, 1998 (Act No. 131 of 1998);
[Definition of “Medical Schemes Act” inserted by s. 4 (1) (z) of Act No. 31 of 2013.]
“member’s interest in the retirement component” means the interest of a member of a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund in a retirement component established for that member by that fund, and includes—
(a)
any amount allocated to that retirement component as contemplated in paragraph (a) or (c) of the definition of “retirement component”;
(b)
any amount credited to that retirement component on or after 1 September 2024; and
(c)
any fund return as defined in section 1 of the Pension Funds Act in relation to an amount contemplated in paragraph (a) or (b),
as determined in terms of the rules of the fund, which amount or fund return is reduced proportionally by any amount deducted from a member’s benefit or minimum individual reserve in terms of section 37D (1) (a), (b), (c), (d) (i), (d) (iA), (d) (iB) or (e) of the Pension Funds Act or a similar provision in the Government Employees Pension Law, 1996 (Proclamation No. 21 of 1996), the Post and Telecommunication-Related Matters Act, 1958 (Act No. 44 of 1958), or the Transnet Pension Fund Act, 1990 (Act No. 62 of 1990), that is a retirement fund lump sum withdrawal benefit and in respect of the section 37D (1) (d) (iA), (d) (iB) or (e) deduction, that is an amount contemplated in section 7 (11);
[Definition of “member’s interest in the retirement component” inserted by s. 1 (1) (c) of Act No. 12 of 2024, substituted by s. 1 (1) (b) of Act No. 44 of 2024 and amended by s. 1 (1) (a) of Act No. 6 of 2025 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
“member’s interest in the savings component” means the interest of a member of a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund in a savings component established for that member by that fund, and includes—
(a)
any amount allocated to that savings component as contemplated in paragraph (a), (b) or (d) of the proviso to the definition of “savings component”;
[Para. (a) substituted by s. 1 (1) (c) of Act No. 5 of 2026 with effect from 1 March, 2026 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(b)
any amount credited to that savings component on or after 1 September 2024; and
(c)
any fund return as defined in section 1 of the Pension Funds Act in relation to an amount contemplated in paragraph (a) or (b),

as determined in terms of the rules of the fund, which amount or fund return is—
(i)
reduced by any amount withdrawn as contemplated in the definition of “savings withdrawal benefit”; and
(ii)
reduced proportionally by any amount deducted from a member’s benefit or minimum individual reserve in terms of section 37D (1) (a), (b), (c), (d) (i), (d) (iA), (d) (iB) or (e) of the Pension Funds Act or a similar provision in the Government Employees Pension Law, 1996 (Proclamation No. 21 of 1996), the Post and Telecommunication-Related Matters Act, 1958 (Act No. 44 of 1958), or the Transnet Pension Fund Act, 1990 (Act No. 62 of 1990), that is a retirement fund lump sum withdrawal benefit and in respect of the section 37D (1) (d) (iA), (d) (iB) or (e) deduction, that is an amount contemplated in section 7 (11);
[Definition of “member’s interest in the savings component” inserted by s. 1 (1) (c) of Act No. 12 of 2024 and substituted by s. 1 (1) (b) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024. Para. (ii) substituted by s. 1 (1) (b) of Act No. 6 of 2025 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
“member’s interest in the vested component” means the interest of a member of a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund in a vested component established for that member by that fund, and includes—
(a)
the value of the interest of that member in that fund immediately prior to 1 September 2024;
(b)
any amount credited to that vested component on or after 1 September 2024; and
(c)
any fund return as defined in section 1 of the Pension Funds Act in relation to an amount contemplated in paragraph (a) or (b),
as determined in terms of the rules of the fund, which value, amount or fund return is—
(i)
reduced by the amount allocated as contemplated in paragraph (a) of the definition of “savings component”; and
(ii)
reduced proportionally by any amount deducted from a member’s benefit or minimum individual reserve in terms of section 37D (1) (a), (b), (c), (d) (i), (d) (iA), (d) (iB) or (e) of the Pension Funds Act or a similar provision in the Government Employees Pension Law, 1996 (Proclamation No. 21 of 1996), the Post and Telecommunication-Related Matters Act, 1958 (Act No. 44 of 1958), or the Transnet Pension Fund Act, 1990 (Act No. 62 of 1990), that is a retirement fund lump sum withdrawal benefit and in respect of the section 37D (1) (d) (iA), (d) (iB) or (e) deduction, that is an amount that is contemplated in section 7 (11);
[Definition of “member’s interest in the vested component” inserted by s. 1 (1) (c) of Act No. 12 of 2024 and substituted by s. 1 (1) (b) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024. Para. (ii) substituted by s. 1 (1) (c) of Act No. 6 of 2025 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
“Mineral and Petroleum Resources Development Act” means the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002);
[Definition of “Mineral and Petroleum Resources Development Act” inserted by s. 4 (1) (z) of Act No. 31 of 2013.]
“mining for gold” or “to mine for gold” includes mining for uranium or to mine for uranium;
“mining operations” and “mining” include every method or process by which any mineral is won from the soil or from any substance or constituent thereof;
[Definition of “mining operations” and “mining” amended by s. 4 (c) of Act No. 72 of 1963 and substituted by s. 3 (1) (i) of Act No. 20 of 2006 deemed to have come into operation on 2 November, 2006 and applicable in respect of any year of assessment commencing on or after

that date (Editorial Note: effective date in s. 3 (2) of Act No. 20 of 2006 as amended by s. 95 (1) of Act No. 8 of 2007).]
Wording of Sections
“Minister” means the Minister of Finance;
[Definition of “Minister” inserted by s. 13 (1) (i) of Act No. 30 of 2000.]
“municipality” means a municipality which is within a category listed in section 155 (1) of the Constitution of the Republic of South Africa, 1996, and which is an organ of state within the local sphere of government exercising legislative and executive authority within an area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);
[Definition of “municipality” inserted by s. 3 (1) (j) of Act No. 20 of 2006.]
“municipal value” means an amount determined in terms of section 46 of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004);
[Definition of “municipal value” inserted by s. 4 (1) (zA) of Act No. 31 of 2013 with effect from 1 March, 2014 and applicable in respect of amounts paid or transferred during years of assessment commencing on or after that date.]
“mutual building society” . . . . . .
[Definition of “mutual building society” inserted by s. 1 (1) (c) of Act No. 108 of 1986 and deleted by s. 2 (1) (q) of Act No. 3 of 2008.]
Wording of Sections
“natural oil” means any liquid or solid hydrocarbon or combustible gas existing in a natural condition in the earth’s crust, but does not include coal or bituminous shales or other stratified deposits from which oil can be obtained by destructive distillation, or gas arising from marsh or other surface deposits;
[Definition of “natural oil” inserted by s. 4 (d) of Act No. 72 of 1963.]
“neighbouring country” means Botswana, eSwatini, Lesotho and Namibia;
[Definition of “neighbouring country” inserted by s. 2 (1) (a) of Act No. 85 of 1987 and substituted by s. 2 (e) of Act No. 141 of 1992, by s. 2 (c) of Act No. 36 of 1996 and by s. 3 of Act No. 16 of 2022.]
Wording of Sections
“new deep level gold mine” . . . . . .
[Definition of “new deep level gold mine” deleted by s. 2 (c) of Act No. 70 of 1989.]
Wording of Sections
“new gold mine” . . . . . .
[Definition of “new gold mine” amended by s. 4 (e) of Act No. 72 of 1963 and deleted by s. 2 (c) of Act No. 70 of 1989.]
Wording of Sections
“nominal value” . . . . . .
[Definition of “nominal value” inserted by s. 4 (1) (k) of Act No. 85 of 1974 and deleted by s. 6 (1) (q) of Act No. 7 of 2010 with effect from 1 January, 2011.]
Wording of Sections
“normal retirement age” means—
(a)
in the case of a member of a pension fund or provident fund, the date on which the member becomes entitled to retire from employment for reasons other than sickness, accident, injury or incapacity through infirmity of mind or body;
(b)
in the case of a member of a retirement annuity fund, a pension preservation fund or a provident preservation fund, the date on which the member attains 55 years of age; or
(c)
in the case of a member of any fund contemplated in this definition, the date on which that member becomes permanently incapable of carrying on his or her occupation due to sickness, accident, injury or incapacity through infirmity of mind or body;
[Definition of “normal retirement age” inserted by s. 2 (1) (r) of Act No. 3 of 2008.]

“normal tax” means income tax referred to in section 5 (1);
[Definition of “normal tax” inserted by s. 271 read with para. 23 (e) of Sch. 1 of Act No. 28 of 2011.]
“officer” means, where used in the context of a person who is engaged by the Commissioner in carrying out the provisions of this Act, a SARS official as defined in section 1 of the Tax Administration Act;
[Definition of “officer” inserted by s. 271 read with para. 23 (e) of Sch. 1 of Act No. 28 of 2011.]
“official rate of interest” means—
(a)
in the case of a debt which is denominated in the currency of the Republic, a rate of interest equal to the South African repurchase rate plus 100 basis points; or
(b)
in the case of a debt which is denominated in any other currency, a rate of interest that is the equivalent of the South African repurchase rate applicable in that currency plus 100 basis points:
Provided that where a new repurchase rate or equivalent rate is determined, the new rate of interest applies for the purposes of this definition from the first day of the month following the date on which that new repurchase rate or equivalent rate came into operation;
[Definition of “official rate of interest” inserted by s. 2 (1) (e) of Act No. 17 of 2017 and substituted by s. 1 (1) (i) of Act No. 23 of 2018.]
Wording of Sections
“other deep level gold mine” . . . . . .
[Definition of “other deep level gold mine” substituted by s. 2 (d) of Act No. 70 of 1989 and deleted by s. 2 (1) (s) of Act No. 3 of 2008.]
Wording of Sections
“Patents Act” means the Patents Act, 1978 (Act No. 57 of 1978);
[Definition of “Patents Act” inserted by s. 4 (1) (zB) of Act No. 31 of 2013.]
“pension fund” means—
(a)
(i)
any pension or dependants’ fund or pension scheme established by law, other than the Government Employees Pension Fund, as contemplated in the Government Employees Pension Law, 1996 (Proclamation No. 21 of 1996);
[Sub-para. (i) substituted by s. 7 (1) (o) of Act No. 17 of 2009 and by s. 3 (1) (k) of Act No. 25 of 2015 (Editorial Note: as substituted by s. 74 (1) (a) of Act No. 23 of 2020) with effect from 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date (Editorial Note: effective date in s. 3 (7) of Act No. 25 of 2015 substituted by s. 3 (1) (b) of Act No. 2 of 2016 as substituted by s. 98 (1) of Act No. 17 of 2017 and by s. 111 (1) of Act No. 23 of 2018).]
Wording of Sections
(ii)
any pension, provident or dependants’ fund or pension scheme established for the benefit of the employees of any municipality or of any local authority (as defined in the definition of “local authority” in this section prior to the coming into operation of section 3 (1) (h) of the Revenue Laws Amendment Act, 2006 (Act No. 20 of 2006), that was established prior to the date that section so came into operation); or
[Sub-para. (ii) substituted by s. 3 (1) (k) of Act No. 20 of 2006 and by s. 7 (1) (o) of Act No. 17 of 2009 (Editorial Note: pending amendment by s. 3 (1) (l) of Act No. 25 of 2015 deleted by s. 74 (1) (b) of Act No. 23 of 2020 deemed to have come into operation on 8 January, 2016).]
Wording of Sections
(iii)
any fund contemplated in subparagraph (ii), which includes as members employees of any municipal entity created in accordance with the provisions of the Municipal Systems Act, 2000 (Act No. 32 of 2000), over which one or more municipalities or local authorities (as defined

in section 1 prior to the coming into operation of section 3 (1) (h) of the Revenue Laws Amendment Act, 2006, and that was established prior to the date that section so came into operation) exercise ownership control as contemplated by that Act, where such fund was established—
(aa)
on or before 14 November 2000, and such employees were employees of a local authority (as defined in section 1 prior to the coming into operation of section 3 (1) (h) of the Revenue Laws Amendment Act, 2006, and that was established prior to the date that section so came into operation) immediately prior to becoming employees of such municipal entity; or
[Item (aa) substituted by s. 3 (1) (m) of Act No. 20 of 2006.]
Wording of Sections
(bb)
after 14 November 2000, and such fund has been approved by the Commissioner subject to such limitations, conditions and require-ments as contemplated in paragraph (c);
[Para. (a) substituted by s. 2 (c) of Act No. 21 of 1995 and by s. 3 (b) of Act No. 19 of 2001. Sub-para. (iii) substituted by s. 6 (1) (m) of Act No. 74 of 2002 and amended by s. 3 (1) (l) of Act No. 20 of 2006.]
Wording of Sections
(b)
with effect from a date determined by the Commissioner in relation to any fund hereinafter referred to (not being a date earlier than 4 December 1981), any pension fund established for the benefit of employees of a control board as defined in section 1 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), or for the benefit of employees of the Development Bank of Southern Africa, if the rules of such fund are in all material respects identical to those of the Government Employees' Pension Fund; or
[Para. (b) substituted by s. 2 (1) (c) of Act No. 96 of 1985, by s. 2 (1) (j) of Act No. 28 of 1997 and by s. 3 (1) (m) of Act No. 25 of 2015 with effect from 1 March, 2016 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(c)
the Municipal Councillors Pension Fund provisionally registered under the Pension Funds Act on 23 May 1988, or any fund (other than a retirement annuity fund, a pension preservation fund or a fund contemplated in paragraph (a) or (b)) which is approved by the Commissioner in respect of the year of assessment in question and, in the case of any such fund established on or after 1 July 1986, is registered under the provisions of that Act;
[Para. (c) amended by s. 2 (1) (c) of Act No. 65 of 1986, by s. 1 (1) of Act No. 99 of 1988, by s. 2 (1) (b) of Act No. 101 of 1990, by s. 2 (1) (i) of Act No. 113 of 1993, by s. 2 (d) and (e) of Act No. 21 of 1995, by s. 2 (g) of Act No. 59 of 2000, by ss. 2 (2) (b) and 3 (1) (f) of Act No. 8 of 2007, by s. 2 (1) (t) and (u) of Act No. 3 of 2008, by s. 4 (1) (k), (l), (m) and (n) of Act No. 60 of 2008, by s. 6 (1) (r) of Act No. 7 of 2010, by s. 7 (1) (z) of Act No. 24 of 2011, by s. 4 (1) (zC) and (zD) of Act No. 31 of 2013 (Editorial Note: s. 4 (1) (zE) of Act No. 31 of 2013 substituted by s. 119 (1) (a) of Act No. 43 of 2014 and deleted by s. 143 (1) (a) and s. 155 (1) of Act No. 25 of 2015 respectively), by s. 3 (1) (n) of Act No. 25 of 2015, by s. 2 (1) (f) and (g) of Act No. 17 of 2017, by s. 1 (1) (j) and (k) of Act No. 23 of 2018 and by s. 1 (1) (f) of Act No. 20 of 2022.]
Wording of Sections
(d)
the Government Employees Pension Fund, as contemplated in the Government Employees Pension Law, 1996 (Proclamation No. 21 of 1996):
[Para. (d) added by s. 3 (1) (o) of Act No. 25 of 2015 with effect from 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date (Editorial Note: effective date in s. 3 (7) of Act No. 25 of 2015 substituted by s. 3 (1) (b) of Act No. 2 of 2016 as substituted by s. 98 (1) of Act No. 17 of 2017 and by s. 111 (1) of Act No. 23 of 2018).]
Wording of Sections

Provided that the Commissioner may approve any fund contemplated in paragraph (c) subject to such limitations or conditions as he may determine, and shall not approve a fund in respect of any year of assessment unless the Commissioner is in respect of that year of assessment satisfied—

(i)

that the fund is a permanent fund bona fide established for the purpose of providing annuities for members on retirement date or for the dependants or nominees of deceased members, or mainly for the said purpose and also for the purpose of providing benefits other than annuities for the persons aforesaid or for the purpose of providing any benefit contemplated in the definition of "savings withdrawal benefit", paragraph 2C of the Second Schedule or section 15A or 15E of the Pension Funds Act; and

[Para. (i) substituted by s. 1 (1) (d) of Act No. 12 of 2024 and by s. 1 (1) (c) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]

Wording of Sections

(ii)

that the rules of the fund provide—

(aa)

that all annual contributions of a recurrent nature to the fund shall be in accordance with specified scales;

(bb)

that membership of the fund throughout the period of employment shall be a condition of the employment by the employer of all persons of the class or classes specified therein who enter employment with that employer on or after the date upon which—

(A)

the fund comes into operation; or

(B)

the employer becomes a participant in that fund;

(cc)

those persons who immediately prior to the said date were employed by the employer and who on the said date fall within the said class or classes may, upon application made, be permitted to become members of that fund on such conditions as may be specified in the rules;

(dd)

that on retirement, 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 interest in 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 member's interest in the vested component, calculated together with the total member's interest in the retirement component, does not exceed R165 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension fund, provident fund, pension preservation fund, provident preservation fund or retirement annuity fund: Provided that in determining the value of the total member's interest in the vested component, an amount calculated as follows must not be taken into account—

(A)

in the case of a person who was a member of a provident fund or provident preservation fund and who was 55 years of age or older on 1 March 2021—

(AA)

any amount contributed to a provident fund or transferred to a provident preservation fund prior to, on and after 1 March 2021 of which that person was a member on 1 March 2021;

(BB)

with the addition of any other amount credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on and after 1 March 2021; and

(CC)

any fund return, as defined in the Pension Funds Act, in relation to the contributions contemplated in subparagraph (AA) or amounts credited contemplated in subparagraph (BB); or

[Sub-para. (CC) substituted by s. 1 (1) (c) of Act No. 17 of 2023 deemed to have come into operation on 1 March, 2022 and applicable in respect of years of assessment commencing on or after that date.]

(B)

in any other case of a person who was a member of a provident fund or provident preservation fund on 1 March 2021—

(AA)

any amount contributed to a provident fund or transferred to a provident preservation fund prior to 1 March 2021;

(BB)

with the addition of any other amount credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund as a result of the value of the member's individual account or minimum individual reserve on 1 March 2021; and

(CC)

any fund return, as defined in the Pension Funds Act, in relation to the contributions contemplated in subparagraph (AA) or amounts credited contemplated in subparagraph (BB);

[Sub-para. (CC) substituted by s. 1 (1) (d) of Act No. 17 of 2023 deemed to have come into operation on 1 March, 2022 and applicable in respect of years of assessment commencing on or after that date.]

reduced proportionally by an amount permitted in terms of the Pension Funds Act to be deducted from the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on and after 1 March 2021: Provided further that in the case where the remaining balance is utilised to provide or purchase more than one annuity, the amount utilised to provide or purchase each annuity must exceed R165 000;

[Sub-para. (dd) substituted by s. 4 (1) (f) of Act No. 20 of 2021 and amended by s. 1 (1) (b) of Act No. 17 of 2023, by s. 1 (1) (e) of Act No. 12 of 2024, by s. 1 (1) (d) of Act No. 44 of 2024 and by s. 1 (1) (d) of Act No. 5 of 2026 deemed to have come into operation on 1 September 2024.]

Wording of Sections

(ee)

that a partner of a partnership is regarded as an employee of the partnership;

[Sub-para. (ee) substituted by s. 1 (1) (e) of Act No. 17 of 2023 with effect from 1 March, 2024 and applicable in respect of years of assessment commencing on or after that date.]

(ff)

that the Commissioner shall be notified of all amendments of the rules; and

(gg)

that an employee who has transferred a retirement interest in terms of paragraphs 2 (1) (c) and 6A (d) of the Second Schedule to this fund shall not be entitled to payment of a withdrawal benefit as contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule in respect of that transferred amount; and

[Sub-para. (gg) added by s. 1 (1) (f) of Act No. 17 of 2023 with effect from 1 March, 2024 and applicable in respect of years of assessment commencing on or after that date.]

(iii)

that the rules of the fund have been complied with:

Provided further that the Commissioner may recognise a fund contemplated in paragraph (a), (b) or (d) in respect of any year of assessment if the Commissioner is satisfied that the rules of the fund provide that in determining the value of retirement interest, an amount calculated as follows must not be taken into account—

(i)

in the case of a person who was a member of a provident fund or a provident preservation fund and who was 55 years of age or older on 1 March 2021—

(aa)
any amount contributed to a provident fund or transferred to a provident preservation fund prior to, on and after 1 March 2021 of which that person was a member on 1 March 2021;
(bb)
with the addition of any other amount credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on or after 1 March 2021; and
(cc)
where applicable, any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (aa) or amounts credited as contemplated in subparagraph (bb); or
(ii)
in any other case of a person who was a member of a provident fund or a provident preservation fund on 1 March 2021—
(aa)
any amount contributed to a provident fund or transferred to a provident preservation fund prior to 1 March 2021;
(bb)
with the addition of any other amounts credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund as a result of the value of the member's individual account or minimum individual reserve on 1 March 2021; and
(cc)
where applicable, any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (aa) or amounts credited as contemplated in subparagraph (bb),
where applicable, reduced proportionally by any amount permitted to be deducted in terms of the Pension Funds Act from the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on or after 1 March 2021: Provided further that the Commissioner may approve or recognise a fund contemplated in—
(i)
paragraph (a), (b), (c) or (d) in respect of any year of assessment, if the Commissioner is satisfied that the rules of the fund provide—
(aa)
for the creation of a savings component, retirement component and vested component;
(bb)
that a member may, prior to his or her retirement date, elect to receive the payment of—
(A)
an amount from the retirement component, that must be deemed to be a lump sum benefit contemplated in para-graph 2 (1) (b) (ii) of the Second Schedule, where the member—
(AA)
is a person who is not a resident for an uninterrupted period of three years or longer on or after 1 March 2021; or
(BB)
departed from the Republic at the expiry of a visa obtained for the purposes of—
(AAA)
working as contemplated in paragraph (i) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 40 of 2002); or
(Editorial Note: Wording as per original Government Gazette, but it is suggested that the reference to "Act No. 40 of 2002" should be "Act No. 13 of 2002".)
Wording of Sections
(BBB)

a visit as contemplated in paragraph (b) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002), issued in terms of paragraph (b) of the proviso to section 11 of that Act by the Director-General, as defined in that Act; or

(ii)

paragraph (a), (b) or (d) in respect of any year of assessment, if the Commissioner is satisfied that the rules of the fund provide that on retirement, 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 member's interest in 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 member's interest in the vested component calculated together with the total member's interest in the retirement component, does not exceed R165 000, where the employee is deceased or where the member elects to transfer the retirement interest to a pension fund, provident fund, pension preservation fund, provident preservation fund or retirement annuity fund: Provided that in determining the value of two-thirds of the member's interest in the vested component, an amount calculated as follows must not be taken into account—

(i)

in the case of a person who was a member of a provident fund or a provident preservation fund and who was 55 years of age or older on 1 March 2021—

(aa)

any amount contributed to a provident fund or transferred to a provident preservation fund prior to, on and after 1 March 2021 of which that person was a member on 1 March 2021;

(bb)

with the addition of any other amount credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on or after 1 March 2021; and

(cc)

where applicable, any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (aa) or amounts credited as contemplated in subparagraph (bb); or

(ii)

in any other case of a person who was a member of a provident fund or a provident preservation fund on 1 March 2021—

(aa)

any amount contributed to a provident fund or transferred to a provident preservation fund prior to 1 March 2021;

(bb)

with the addition of any other amounts credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund as a result of the value of the member's individual account or minimum individual reserve on 1 March 2021; and

(cc)

where applicable, any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (aa) or amounts credited as contemplated in subparagraph (bb),

where applicable, reduced proportionally by any amount permitted to be deducted in terms of the Pension Funds Act from the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on or after 1 March 2021;

[Definition of "pension fund" amended by s. 3 (i) of Act No. 90 of 1962, by s. 4 (1) (c) of Act No. 90 of 1972, by s. 3 (1) (c) of Act No. 101 of 1978, by s. 3 (1) (c) of Act No. 104 of 1979 and by s. 3 (1) (c) of Act No. 91 of 1982, substituted by s. 2 (1) (e) of Act No. 94 of 1983 (Editorial Note: s. 3 (1) (p) of Act No. 25 of 2015 deleted by s. 3 (1) (a) of Act No. 2 of 2016) and amended by s. 1 (1) (a) of Act No. 2 of 2016 (Editorial Note: as substituted by s. 97 (1) (a) of Act No. 17 of

2017, by s. 110 (1) (a) of Act No. 23 of 2018 and by s. 75 (1) of Act No. 23 of 2020),
by s. 1 (1) (g) of Act No. 20 of 2022, by s. 1 (1) (f) of Act No. 12 of 2024 and by s. 1 (1) (e) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
"Pension Funds Act" means the Pension Funds Act, 1956 (Act No. 24 of 1956);
[Definition of "Pension Funds Act" inserted by s. 4 (1) (zF) of Act No. 31 of 2013.]
"pension preservation fund" means a pension fund organisation which is registered under the Pension Funds Act and which is approved by the Commissioner in respect of the year of assessment in question: Provided that the Commissioner may approve a fund subject to such limitations and conditions as the Commissioner may determine, and shall not approve a fund in respect of any year of assessment unless the Commissioner is satisfied in respect of that year of assessment that the rules of the fund provide that—
(a)
membership of the fund consists of—
(i)
former members of a pension fund or provident fund whose membership of that fund has terminated due to—
(aa)
resignation, retrenchment or dismissal from employment and who elected to have any lump sum benefit that is payable as a result of the termination transferred to this fund, including lump sums transferred from a member's vested component, savings component and retirement component in the previous fund to the member's vested component, savings component and retirement component in this fund;
[Item (aa) substituted by s. 1 (1) (g) of Act No. 12 of 2024 and by s. 1 (1) (f) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(bb)
the winding up or partial winding up of that fund, if the member elects or is required in terms of the rules to transfer to this fund; or
[Item (bb) substituted by s. 6 (1) (s) of Act No. 7 of 2010 deemed to have come into operation on 1 March, 2008 and applicable in respect of lump sum benefits transferred on or after that date.]
Wording of Sections
(cc)
a transfer of business from one employer to another in terms of section 197 of the Labour Relations Act, 1995 (Act No. 66 of 1995), and the employment of the employee with the transferor employer is transferred to the transferee employer, if the member elects or is required in terms of the rules to transfer to this fund;
[Sub-para. (i) amended by s. 7 (1) (zB) of Act No. 24 of 2011 with effect from 1 March, 2012.]
Wording of Sections
(ii)
former members of any other pension preservation fund or a provident preservation fund—
(aa)
if that fund was wound up or partially wound up; or
[Item (aa) substituted by s. 6 (1) (t) of Act No. 7 of 2010 deemed to have come into operation on 1 March, 2008 and applicable in respect of lump sum benefits transferred on or after that date.]
Wording of Sections
(bb)
who elected to have any amount received or accrued by way of a lump sum benefit as contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule transferred to this fund and who made this election while they were members of that other fund, including lump sums transferred from the member's vested component, savings component and retirement component in the previous fund to the member's vested component, savings component and retirement component in this fund;

[Sub-para. (ii) amended by s. 7 (1) (zC) of Act No. 24 of 2011 with effect from 1 March, 2012. Item (bb) substituted by s. 7 (1) (p) of Act No. 17 of 2009, by s. 1 (1) (h) of Act No. 12 of 2024 and by s. 1 (1) (g) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(iii)
. . . . . .
[Sub-para. (iii) substituted by s. 7 (1) (zD) of Act No. 24 of 2011 and by s. 4 (1) (zH) of Act No. 31 of 2013, amended by s. 1 (1) (l) of Act No. 23 of 2018, substituted by s. 1 (1) (o) of Act No. 23 of 2018 and deleted by s. 2 (1) (g) of Act No. 23 of 2020 with effect from 1 March, 2021.]
Wording of Sections
(iv)
persons who have elected to transfer to that fund amounts awarded to those persons in terms of any court order contemplated in section 7 (8) of the Divorce Act, 1979 (Act No. 70 of 1979), from any pension fund, pension preservation fund, provident fund or provident preservation fund for the benefit of those persons;
[Sub-para. (iv) substituted by s. 7 (1) (q) of Act No. 17 of 2009, amended by s. 1 (1) (l) of Act No. 23 of 2018 and substituted by s. 1 (1) (o) of Act No. 23 of 2018 both with effect from 1 March, 2019.]
Wording of Sections
(v)
former members of a pension fund, pension preservation fund, provident fund or provident preservation fund who elected to have a lump sum benefit contemplated in paragraph 2 (1) (c) of the Second Schedule transferred to this fund and who made this election while they were members of that other fund, including lump sums transferred from the member's vested component, savings component and retirement component in the previous fund to the member's vested component, savings component and retirement component in this fund;
[Sub-para. (v) substituted by s. 4 (1) (g) of Act No. 20 of 2021, by s. 1 (1) (i) of Act No. 12 of 2024 and by s. 1 (1) (h) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(vi)
former members of a pension fund, pension preservation fund, provident fund or provident preservation fund or nominees or dependants of that former member in respect of whom an "unclaimed benefit" as defined in section 1 of the Pension Funds Act and as contemplated in section 37C (1) (c) of the said Act is due or payable by that fund;
[(Editorial Note: Para. (a) pending amendment by s. 3 (1) (q) of Act No. 25 of 2015 deleted by s. 74 (1) (c) of Act No. 23 of 2020 deemed to have come into operation on 8 January, 2016.) Sub-para. (vi) added by s. 2 (1) (h) of Act No. 23 of 2020 and substituted by s. 1 (1) (h) of Act No. 20 of 2022.]
Wording of Sections
(b)
payments or transfers to the fund in respect of a member are limited to any amount contemplated in paragraph 2 (1) (a) (ii), (b) or (c) of the Second Schedule, together with the member's interest in the vested component, the member's interest in the savings component and the member's interest in the retirement component, or any unclaimed benefit, as defined in the Pension Funds Act that is paid or transferred to the fund by—
(i)
a pension fund, provident fund, provident preservation fund or any other pension preservation fund of which such member was previously a member; or
(Editorial Note: Sub-para. (i) pending amendment by s. 3 (1) (r) of Act No. 25 of 2015 deleted by s. 74 (1) (c) of Act No. 23 of 2020 deemed to have come into operation on 8 January, 2016.)
Wording of Sections

(ii)
a pension fund, provident fund, pension preservation fund or provident preservation fund of which such member's former spouse is or was previously a member and such payment or transfer was made pursuant to an election by such member in terms of section 37D (4) (b) (ii) of the Pension Funds Act;
[Para. (b) substituted by s. 4 (1) (o) of Act No. 60 of 2008, amended by s. 7 (1) (r)-(s) of Act No. 17 of 2009, by s. 7 (1) (zE) of Act No. 24 of 2011, by s. 4 (1) (zI) of Act No. 31 of 2013 and by s. 5 (1) (g) of Act No. 15 of 2016, substituted by s. 1 (1) (m) of Act No. 23 of 2018 and amended by s. 1 (1) (j) of Act No. 12 of 2024 and by s. 1 (1) (i) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(c)
with the exception of amounts transferred to any other pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund, not more than one amount contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule is allowed to be paid to the member from the member's interest in the vested component during the period of membership of the fund or any other pension preservation fund or provident preservation fund: Provided that—
(i)
this paragraph applies separately to each payment or transfer to the vested component or an amount in paragraph 2 (1) (a) (ii), (b) or (c) of the Second Schedule or any unclaimed benefit as defined in the Pension Funds Act that is paid or transferred to the fund;
[Para. (i) substituted by s. 1 (1) (k) of Act No. 12 of 2024 with effect from 1 September, 2024 (Editorial Note: effective date in s. 1 (2) of Act No. 12 of 2024 as substituted by s. 2 of Act No. 6 of 2025).]
Wording of Sections
(ii)
a member shall, prior to his or her retirement date, be entitled to the payment of—
(aa)
an amount from the retirement component that must be deemed to be a lump sum benefit contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule where the member—
(A)
. . .
(B)
is a person who is not a resident for an uninterrupted period of three years or longer on or after 1 March 2021; or
(C)
departed from the Republic at the expiry of a visa obtained for the purposes of—
(AA)
working as contemplated in paragraph (i) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 50 2002); or
(Editorial Note: Wording as per original Government Gazette, but it is suggested that the reference to "Act No. 13 of 50 2002" should be "Act No. 13 of 2002".)
Wording of Sections
(BB)
a visit as contemplated in paragraph (b) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002), issued in terms of paragraph (b) of the proviso to section 11 of that Act by the Director-General, as defined in that Act; and
(bb)
an amount from the vested component, that must be deemed to be a lump sum benefit contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule, where the member—
(A)
is a person who is not a resident for an uninterrupted period of three years or longer on or after 1 March 2021: Provided that the restriction of three years or longer must not apply to—

(a)
the withdrawal by the member of the amount referred to in paragraph (c); or
(b)
an amount transferred to this fund by the member in terms of paragraph 2 (1) (c) of the Second Schedule; or
[Item (A) substituted by s. 1 (1) (e) of Act No. 5 of 2026 with effect from 1 March, 2026 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(B)
departed from the Republic at the expiry of a visa obtained for the purposes of—
(AA)
working as contemplated in paragraph (i) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002); or
(BB)
a visit as contemplated in paragraph (b) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002), issued in terms of paragraph (b) of the proviso to section 11 of that Act by the Director-General, as defined in that Act; and
[Para. (ii) amended by s. 2 (1) (i) of Act No. 23 of 2020 and substituted by s. 1 (1) (l) of Act No. 12 of 2024 and by s. 1 (1) (k) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(iii)
a member who has transferred a retirement interest in terms of paragraph 2 (1) (c) of the Second Schedule to this fund shall not be entitled to payment of a withdrawal benefit from the vested component as contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule in respect of that transferred amount, except to the extent that it is an amount contemplated in subparagraph (ii); and
[Para. (c) substituted by s. 4 (1) (o) of Act No. 60 of 2008 and by s. 7 (1) (t) of Act No. 17 of 2009 and amended by s. 2 (1) (s) of Act No. 22 of 2012, by s. 1 (1) (n) of Act No. 23 of 2018, by s. 1 (1) (i) of Act No. 20 of 2022 and by s. 1 (1) (j) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024. Para. (iii) substituted by s. 1 (1) (m) of Act No. 12 of 2024 and by s. 1 (1) (l) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(d)
a member, other than a member contemplated in paragraph (a) (vi) of this proviso, will become entitled to a benefit on his or her retirement date; and
[Para. (d) substituted by s. 1 (1) (g) of Act No. 17 of 2023 deemed to have come into operation on 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(e)
on retirement, not more than one-third of the portion 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 interest in 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 member's interest in their vested component, calculated together with the total member's interest in their retirement component, does not exceed R165 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension preservation fund, provident preservation fund or retirement annuity fund: Provided that in determining the value of the total member's interest in the vested component an amount calculated as follows must not be taken into account—
(a)

in the case of a person who was a member of a provident fund or provident preservation fund and who was 55 years of age or older on 1 March 2021—
(i)
any amount contributed to a provident fund or transferred to a provident preservation fund prior to, on and after 1 March 2021 of which that person was a member on 1 March 2021;
(ii)
with the addition of any other amount credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on and after 1 March 2021; and
(iii)
any fund return, as defined in the Pension Funds Act, in relation to the contributions contemplated in subparagraph (i) or amounts credited contemplated in subparagraph (ii); or
(b)
in any other case of a person who was a member of a provident fund or a provident preservation fund on 1 March 2021—
(i)
any amount contributed to a provident fund or transferred to a provident preservation fund prior to 1 March 2021;
(ii)
with the addition of any other amounts credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund as a result of the value of the member's individual account or minimum individual reserve on 1 March 2021; and
(iii)
any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (i) or amounts credited contemplated in subparagraph (ii),
reduced proportionally by an amount permitted to be deducted in terms of the Pension Funds Act from the member's individual account or minimum individual reserve of the provident fund or the provident preservation fund prior to, on or after 1 March 2021: Provided further that in the case where the remaining balance is utilised to provide or purchase more than one annuity, the amount utilised to provide or purchase each annuity must exceed R165 000:
[Para. (e) substituted by s. 4 (1) (p) of Act No. 60 of 2008 (Editorial Note: s. 4 (1) (zJ) of Act No. 31 of 2013 substituted by s. 119 (1) (b) of Act No. 43 of 2014 and deleted by s. 143 (1) (a) and s. 155 (1) of Act No. 25 of 2015 respectively), by s. 3 (1) (s) of Act No. 25 of 2015 (Editorial Note: s. 3 (1) (t) of Act No. 25 of 2015 deleted by s. 3 (1) (a) of Act No. 2 of 2016), by s. 1 (1) (b) of Act No. 2 of 2016 (Editorial Note: as substituted by s. 97 (1) (a) of Act No. 17 of 2017, by s. 110 (1) (a) of Act No. 23 of 2018 and by s. 75 (1) of Act No. 23 of 2020) and by s. 4 (1) (h) of Act No. 20 of 2021 and amended by s. 1 (1) (n) of Act No. 12 of 2024, by s. 1 (1) (m) of Act No. 44 of 2024 and by s. 1 (1) (f) of Act No. 5 of 2026 deemed to have come into operation on 1 September 2024.]
Wording of Sections
Provided further that—
(i)
the rules of a pension fund that is doing the business of a preservation fund as prescribed by the Commissioner from time to time must be submitted to the Commissioner for approval in terms of the provisions of this definition before 30 September 2010; and
(ii)
the rules of a pension fund contemplated in paragraph (i) that are submitted before 30 September 2010 are deemed to have been approved under this definition with effect from the date that the rules are submitted until the date that the Commissioner notifies the fund of its status under this definition:

Provided further that the Commissioner may approve a fund in respect of any year of assessment, if the Commissioner is satisfied that the rules of the fund provide for the creation of a savings component, retirement component and vested component;
[Definition of “pension preservation fund” inserted by s. 2 (1) (v) of Act No. 3 of 2008 and amended by s. 4 (1) (q) of Act No. 60 of 2008, by s. 6 (1) (u) of Act No. 7 of 2010, by s. 7 (1) (zA) of Act No. 24 of 2011, by s. 4 (1) (zG) of Act No. 31 of 2013, by s. 1 (1) (o) of Act No. 12 of 2024 and by s. 1 (1) (n) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
“permanent establishment” means a permanent establishment as defined from time to time in Article 5 of the Model Tax Convention on Income and on Capital of the Organisation for Economic Co-operation and Development: Provided that in determining whether a qualifying investor in relation to a partnership, trust or foreign partnership has a permanent establishment in the Republic, any act of that partnership, trust or foreign partnership in respect of any financial instrument must not be ascribed to that qualifying investor;
[Definition of “permanent establishment” inserted by s. 5 (g) of Act No. 5 of 2001 and amended by s. 6 (1) (v) of Act No. 7 of 2010 deemed to have come into operation as from the commencement of years of assessment commencing on or after 1 January, 2011.]
Wording of Sections
“person” includes—
(a)
an insolvent estate;
(b)
the estate of a deceased person;
(c)
any trust; and
(d)
any portfolio of a collective investment scheme,
[Para. (d) substituted by s. 2 (1) (t) of Act No. 22 of 2012 with effect from 1 April, 2013 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
but does not include a foreign partnership;
[Definition of “person” substituted by s. 2 (1) (b) of Act No. 129 of 1991, by s. 2 (f) of Act No. 141 of 1992, by s. 2 (1) (k) of Act No. 28 of 1997, by s. 7 (1) (u) of Act No. 17 of 2009 and by s. 6 (1) (w) of Act No. 7 of 2010 with effect from the commencement of years of assessment commencing on or after 1 October, 2011 in the case of any foreign partnership that is established or formed before 24 August, 2010, and with effect from the date of establishment or formation in the case of any foreign partnership that is established or formed on or after 24 August, 2010 (Editorial Note: effective date in s. 6 (4) (a) of Act No. 7 of 2010 as substituted by s. 159 (1) (b) of Act No. 24 of 2011).]
Wording of Sections
“portfolio of a collective investment scheme” means any—
(a)
portfolio of a collective investment scheme in participation bonds;
(b)
portfolio of a collective investment scheme in property;
(c)
portfolio of a collective investment scheme in securities; or
(d)
portfolio of a declared collective investment scheme;
[Definition of “portfolio of a collective investment scheme” inserted by s. 6 (1) (x) of Act No. 7 of 2010 deemed to have come into operation as from the commencement of years of assessment commencing on or after 1 January, 2010.]

"portfolio of a collective investment scheme in participation bonds" means any portfolio comprised in any collective investment scheme in participation bonds contemplated in Part VI of the Collective Investment Schemes Control Act managed or carried on by any company registered as a manager under and for the purposes of that Part;
[Definition of "portfolio of a collective investment scheme in participation bonds" inserted by s. 6 (1) (x) of Act No. 7 of 2010 and substituted by s. 4 (1) (zK) of Act No. 31 of 2013.]
Wording of Sections
"portfolio of a collective investment scheme in property" means any portfolio comprised in any collective investment scheme in property contemplated in Part V of the Collective Investment Schemes Control Act managed or carried on by any company registered as a manager under section 51 of that Act for the purposes of that Part;
[Definition of "portfolio of a collective investment scheme in property" inserted by s. 6 (1) (x) of Act No. 7 of 2010 and substituted by s. 4 (1) (zK) of Act No. 31 of 2013.]
Wording of Sections
"portfolio of a collective investment scheme in securities" means any portfolio comprised in any collective investment scheme in securities contemplated in Part IV of the Collective Investment Schemes Control Act managed or carried on by any company registered as a manager under section 42 of that Act for the purposes of that Part;
[Definition of "portfolio of a collective investment scheme in securities" inserted by s. 7 (1) (v) of Act No. 17 of 2009 and substituted by s. 4 (1) (zK) of Act No. 31 of 2013.]
Wording of Sections
"portfolio of a declared collective investment scheme" means any portfolio comprised in any declared collective investment scheme contemplated in Part VII of the Collective Investment Schemes Control Act managed or carried on by any company registered as a manager under section 64 of that Act for the purposes of that Part;
[Definition of "portfolio of a declared collective investment scheme" inserted by s. 6 (1) (y) of Act No. 7 of 2010 and substituted by s. 4 (1) (zK) of Act No. 31 of 2013.]
Wording of Sections
"portfolio of a hedge fund collective investment scheme" means any portfolio held by any hedge fund business that qualifies as a declared collective investment scheme in terms of section 63 of the Collective Investment Schemes Control Act;
[Definition of "portfolio of a hedge fund collective investment scheme" inserted by s. 4 (1) (zL) of Act No. 31 of 2013 with effect from the date on which the Minister, in accordance with s. 63 of the Collective Investment Schemes Control Act, declares a hedge fund business, in which a portfolio is held, to be a collective investment scheme: 1 April, 2015.]
"post-1966 gold mine" . . . . . .
[Definition of "post-1966 gold mine" inserted by s. 5 (b) of Act No. 55 of 1966 and deleted by s. 2 (1) (c) of Act No. 129 of 1991.]
Wording of Sections
"post-1973 gold mine" means an independent workable proposition in respect of which the State President or the Minister of Mines has, after 1 January, 1974, on the recommendation of the Mining Leases Board signified in writing his decision to grant a lease of the right to mine for gold, and includes any other gold mine which, in the opinion of the Government Mining Engineer, is an independent workable proposition which was established as such after the said date;
[Definition of "post-1973 gold mine" inserted by s. 4 (1) (l) of Act No. 85 of 1974.]
"post-1990 gold mine" means a gold mine—
(a)
which, in the opinion of the Director-General: Mineral and Energy Affairs, is an independent workable proposition and in respect of which a mining authorisation for gold mining was issued for the first time after 14 March 1990 in terms of the Minerals Act, 1991 (Act No. 50 of 1991); or
(b)
for which a mining permit or mining right for gold mining (other than a mining permit or mining right issued on conversion of an old order mining right as defined in paragraph 1 of Schedule II

to the Mineral and Petroleum Resources Development Act) was issued for the first time on or after 1 May 2004 in terms of that Act;
[Definition of "post-1990 gold mine" inserted by s. 2 (1) (c) of Act No. 101 of 1990, amended by s. 2 (g) of Act No. 141 of 1992 and substituted by s. 1 (1) (m) of Act No. 43 of 2014 deemed to have come into operation on 1 May, 2004.]
Wording of Sections
"prescribed" means prescribed or deemed to be prescribed by or under this Act;
"prescribed rate", in relation to any interest payable in terms of this Act, means for the purposes of—
(a)
interest payable to any taxpayer under the provisions of section 89quat (4), a rate determined at four percentage points below the rate contemplated in paragraph (b); or
(b)
any other provision of this Act, such rate as the Minister may from time to time fix by notice in the Gazette in terms of section 80 (1) (b) of the Public Finance Management Act, 1999 (Act No. 1 of 1999): Provided that where the Minister fixes a new rate in terms of that Act, that new rate applies for purposes of this Act from the first day of the second month following the date on which that new rate came into operation;
[Definition of "prescribed rate" inserted by s. 2 (1) (h) of Act No. 121 of 1984, substituted by s. 2 (1) (b) of Act No. 85 of 1987, amended by Government Notice No. R.780 of 1989, by s. 2 (1) (j) of Act No. 113 of 1993, by Government Notices No. 465 of 1994, No. 1503 of 1998, No. 538 of 1999, No. R.1021 of 1999 and No. 182 of 2000 and substituted by s. 13 (1) (j) of Act No. 30 of 2000 and by s. 6 (1) (n) of Act No. 74 of 2002 with effect from 1 April, 2003: Proclamation No. R.29 in Government Gazette 24639 of 1 April, 2003. Para. (b) substituted by s. 3 of Act No. 16 of 2004.]
Wording of Sections

Pending amendment starts
"prescribed rate" means the rate contemplated in section 189 (3) of the Tax Administration Act;
(Pending amendment: Definition of "prescribed rate" to be substituted by s. 271 read with para. 23 (f) of Sch. 1 of Act No. 28 of 2011 with effect from a date to be determined by the President by proclamation in the Gazette – date not determined to the extent that Sch. 1 amends or repeals a provision relating to interest: Proclamation No. 51 in Government Gazette 35687 of 14 September, 2012.)
Pending amendment ends

"provident fund" means—
(a)
any provident fund established by law;
(b)
any provident fund established for the benefit of the employees of any municipality or of any local authority (as defined in the definition of "local authority" in this section prior to the coming into operation of section 3 (1) (h) of the Revenue Laws Amendment Act, 2006 (Act No. 20 of 2006), that was established prior to the date that section so came into operation); or
(c)
any fund contemplated in subparagraph (b), which includes as members employees of any municipal entity created in accordance with the provisions of the Municipal Systems Act, 2000 (Act No. 32 of 2000), over which one or more municipalities or local authorities (as defined in section 1 prior to the coming into operation of section 3 (1) (h) of the Revenue Laws Amendment Act, 2006, and that was established prior to the date that section so came into

operation) exercise ownership control as contemplated by that Act, where such fund was established—
(aa)
on or before 14 November 2000, and such employees were employees of a local authority (as defined in section 1 prior to the coming into operation of section 3 (1) (h) of the Revenue Laws Amendment Act, 2006, and that was established prior to the date that section so came into operation) immediately prior to becoming employees of such municipal entity; or
(bb)
after 14 November 2000, and such fund has been approved by the Commissioner subject to such limitations, conditions and requirements as contemplated in paragraph (c) of the definition of "provident fund"; and
(d)
any fund (other than a pension fund, pension preservation fund, provident preservation fund, benefit fund or retirement annuity fund) which is approved by the Commissioner in respect of the year of assessment in question and, in the case of any such fund established on or after 1 July 1986, is registered under the provisions of the Pension Funds Act:
Provided that the Commissioner may approve a fund subject to such limitations or conditions as he may determine, and shall not approve a fund in respect of any year of assessment unless he is in respect of that year of assessment satisfied—
(i)
that the fund is a permanent fund bona fide established solely for the purpose of providing annuities for members on retirement date or for the dependants or nominees of deceased members, or mainly for the said purpose and also for the purpose of providing benefits other than annuities for the persons aforesaid or for the purpose of providing any benefit contemplated in the definition of "savings withdrawal benefit", paragraph 2C of the Second Schedule or section 15A or 15E of the Pension Funds Act; and
[Para. (i) (previously para. (a)) substituted by s. 2 (f) of Act No. 21 of 1995, by s. 4 (1) (s) of Act No. 60 of 2008, by s. 4 (1) (zN) of Act No. 31 of 2013 (Editorial Note: s. 4 (1) (zO) of Act No. 31 of 2013 deleted by s. 143 (1) (a) of Act No. 25 of 2015), by s. 2 (1) (h) of Act No. 17 of 2017 (Editorial Note: as substituted by s. 75 (1) of Act No. 23 of 2020), (Editorial Note: effective date in s. 1 (2) of Act No. 2 of 2016 substituted by s. 97 (1) (b) of Act No. 17 of 2017 and by s. 110 (1) (b) of Act No. 23 of 2018), by s. 1 (1) (p) of Act No. 12 of 2024 and by s. 1 (1) (o) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(ii)
that the rules of the fund provide—
(aa)
that all annual contributions of a recurrent nature to the fund shall be in accordance with specified scales;
(bb)
that membership of the fund throughout the period of employment shall be a condition of the employment by the employer of all persons of the class or classes specified therein who enter the employment of the employer on or after the date upon which—
(a)
the fund comes into operation; or
(b)
the employer becomes a participant in that fund;
(cc)
that person who immediately prior to the said date were employed by the employer and who on the said date fall within the said class or classes may, on application made, be permitted to become members of the fund on such conditions as may be specified in the rules;
(dd)

that on retirement 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 member's interest in 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 member's interest in the vested component, calculated together with the total member's interest in the retirement component, does not exceed R165 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension preservation fund, provident preservation fund or retirement annuity fund: Provided that in determining the value of the total member's interest in the vested component an amount calculated as follows must not be taken into account—

(a)

in the case of a person who is or was a member of a provident fund or provident preservation fund and who is or was 55 years of age or older on 1 March 2021—

(AA)

any amount contributed to a provident fund or transferred to provident preservation fund prior to, on and after 1 March 2021 of which that person is or was a member on 1 March 2021;

(BB)

with the addition of any other amount credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on and after 1 March 2021; and

(CC)

any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (AA) or amounts credited contemplated in subparagraph (BB);

[Sub-para. (CC) substituted by s. 1 (1) (h) of Act No. 17 of 2023 deemed to have come into operation on 1 March, 2022 and applicable in respect of years of assessment commencing on or after that date.]

(b)

in any other case of a person who is or was a member of a provident fund or provident preservation fund on 1 March 2021—

(AA)

any amount contributed to a provident fund or transferred to a provident preservation fund prior to 1 March 2021;

(BB)

with the addition of any other amounts credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund as a result of the value of the member's individual account or minimum individual reserve on 1 March 2021; and

(CC)

any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (AA) or amounts credited contemplated in subparagraph (BB);

[Sub-para. (CC) substituted by s. 1 (1) (i) of Act No. 17 of 2023 deemed to have come into operation on 1 March, 2022 and applicable in respect of years of assessment commencing on or after that date.]

reduced proportionally by an amount permitted in terms of the Pension Funds Act to be deducted from the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on and after 1 March 2021: Provided further that in the case where the remaining balance is utilised to provide or purchase more than one annuity, the amount utilised to provide or purchase each annuity must exceed R165 000;

[Sub-para. (dd) substituted by s. 4 (1) (i) of Act No. 20 of 2021 and amended by s. 1 (1) (q) of Act No. 12 of 2024, by s. 1 (1) (p) of Act No. 44 of 2024 and by s. 1 (1) (g) of Act No. 5 of 2026 deemed to have come into operation on 1 September 2024.]

(ee)
that the employee may elect to transfer the withdrawal interest to a pension fund established by the same employer or a pension fund in which that employer participates;
(ff)
that a partner of a partnership is regarded as an employee of the partnership; and
(gg)
that an employee who has transferred a retirement interest in terms of paragraphs 2 (1) (c) and 6A (d) of the Second Schedule to this fund shall not be entitled to payment of a withdrawal benefit as contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule in respect of that transferred amount; and
[Para. (ii) (previously para. (b)) substituted by s. 2 (1) (f) of Act No. 94 of 1983 (Editorial Note: s. 4 (1) (zO) of Act No. 31 of 2013 deleted by s. 143 (1) (a) of Act No. 25 of 2015 and s. 3 (1) (v) of Act No. 25 of 2015 deleted by s. 3 (1) (a) of Act No. 2 of 2016) and by s. 1 (1) (p) of Act No. 23 of 2018, amended by s. 1 (1) (q) of Act No. 23 of 2018 and substituted by s. 2 (1) (e) of Act No. 34 of 2019 and by s. 1 (1) (c) of Act No. 2 of 2016 (Editorial Note: as substituted by s. 97 (1) (a) of Act No. 17 of 2017, by s. 110 (1) (a) of Act No. 23 of 2018 and by s. 75 (1) of Act No. 23 of 2020) with effect from 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date (Editorial Note: effective date in s. 1 (2) of Act No. 2 of 2016 substituted by s. 97 (1) (b) of Act No. 17 of 2017 and by s. 110 (1) (b) of Act No. 23 of 2018). Sub-para. (gg) added by s. 1 (1) (j) of Act No. 17 of 2023 with effect from 1 March, 2024 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(iii)
that the rules of the fund have been complied with:
[Para. (iii) (previously para. (c)) substituted by s. 1 (1) (c) of Act No. 2 of 2016 (Editorial Note: as substituted by s. 97 (1) (a) of Act No. 17 of 2017, by s. 110 (1) (a) of Act No. 23 of 2018 and by s. 75 (1) of Act No. 23 of 2020) with effect from 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date (Editorial Note: effective date in s. 1 (2) of Act No. 2 of 2016 substituted by s. 97 (1) (b) of Act No. 17 of 2017 and by s. 110 (1) (b) of Act No. 23 of 2018) (Editorial Note: instructions erroneously omit a reference to para. (c) of the proviso).]
Wording of Sections
Provided further that a fund contemplated in paragraph (i) of the further proviso to the definition of "provident preservation fund" which is deemed to be approved or which is approved in terms of that definition or which fails to submit its rules as required by that paragraph is deemed with effect from the earlier of the date of the deemed approval or 30 September 2010 to be a fund which is not approved in terms of this definition: Provided further that the Commissioner may recognise a fund contemplated in paragraph (a), (b) or (c) in respect of any year of assessment if the Commissioner is satisfied that the rules of the fund provide that in determining the value of retirement interest an amount calculated as follows must not be taken into account—
(i)
in the case of a person who was a member of a provident fund or a provident preservation fund and who was 55 years of age or older on 1 March 2021—
(aa)
any amount contributed to a provident fund or transferred to a provident preservation fund prior to, on or after 1 March 2021 of which that person was a member on 1 March 2021;
(bb)
with the addition of any other amounts credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on or after 1 March 2021; and
(cc)

where applicable, any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (aa) or amounts credited contemplated in subparagraph (bb); or
(ii)
in any other case of a person who was a member of a provident fund or a provident preservation fund on 1 March 2021—
(aa)
any amount contributed to a provident fund or transferred to a provident preservation fund prior to 1 March 2021;
(bb)
with the addition of any other amounts credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund as a result of the value of the member's individual account or minimum individual reserve on 1 March 2021; and
(cc)
where applicable, any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (aa) or amounts credited contemplated in subparagraph (bb),
where applicable, reduced proportionally by any amount permitted to be deducted in terms of the Pension Funds Act from the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on or after 1 March 2021: Provided further that the Commissioner may approve or recognise a fund contemplated in—
(i)
paragraph (a), (b), (c) or (d) in respect of any year of assessment, if the Commissioner is satisfied that the rules of the fund provide—
(aa)
for the creation of a savings component, retirement component and vested component;
(bb)
that a member shall, prior to his or her retirement date, be entitled to elect to receive the payment of an amount from the retirement component, that is deemed to be a lump sum benefit contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule, where a member—
(AA)
is a person who is not a resident for an uninterrupted period of three years or longer on or after 1 March 2021; or
(BB)
departed from the Republic at the expiry of a visa obtained for the purposes of—
(AAA)
working as contemplated in <JL:Jump,"Act 13 of 2002 def: visa par(i)">paragraph (i)<EL> of the definition of "<JL:Jump,"Act 13 of 2002 def: visa">visa<EL>" in <JL:Jump,"Act 13 of 2002 s 1">section 1<EL> of the Immigration Act, 2002 (<JL:Jump,"Act 13 of 2002">Act No. 13 of 2002<EL>); or
(BBB)
a visit as contemplated in paragraph (b) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002), issued in terms of paragraph (b) of the proviso to section 11 of that Act by the Director-General, as defined in that Act; or
(ii)
paragraph (a), (b) or (c) in respect of any year of assessment, if the Commissioner is satisfied that the rules of the fund provide that on retirement, not more than one-third of a member's interest in the vested component may be commuted for a single payment and that the remainder, calculated together with the member's interest in 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 member's interest in the vested component, calculated together with the total member's interest in the retirement component, does not

exceed R165 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension preservation fund, provident preservation fund or retirement annuity fund: Provided further that the Commissioner may recognise a fund contemplated in paragraph (a), (b) or (c) in respect of any year of assessment, if the Commissioner is satisfied that the rules of the fund provide that in determining the value of two-thirds of the member's interest in the vested component, an amount calculated as follows must not be taken into account—

(i)

in the case of a person who was a member of a provident fund or a provident preservation fund and who was 55 years of age or older on 1 March 2021—

(aa)

any amount contributed to a provident fund or transferred to a provident preservation fund prior to, on and after 1 March 2021 of which that person was a member on 1 March 2021;

(bb)

with the addition of any other amount credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on or after 1 March 2021; and

(cc)

where applicable, any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (aa) or amounts credited as contemplated in subparagraph (bb); or

(ii)

in any other case of a person who was a member of a provident fund or a provident preservation fund on 1 March 2021—

(aa)

any amount contributed to a provident fund or transferred to a provident preservation fund prior to 1 March 2021;

(bb)

with the addition of any other amounts credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund as a result of the value of the member's individual account or minimum individual reserve on 1 March 2021; and

(cc)

where applicable, any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (aa) or amounts credited as contemplated in subparagraph (bb),

where applicable, reduced proportionally by any amount permitted to be deducted in terms of the Pension Funds Act from the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on or after 1 March 2021;

[Definition of "provident fund" amended by s. 2 (1) (d) of Act No. 65 of 1986, by s. 4 (1) (r) and (t) of Act No. 60 of 2008, by s. 6 (1) (z) of Act No. 7 of 2010, by s. 4 (1) (zM) of Act No. 31 of 2013, by s. 3 (1) (u) of Act No. 25 of 2015 (Editorial Note: as substituted by s. 74 (1) (d) of Act No. 23 of 2020), by s. 1 (1) (j) of Act No. 20 of 2022, by s. 1 (1) (r) of Act No. 12 of 2024 and by s. 1 (1) (q) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]

Wording of Sections

"provident preservation fund" means a pension fund organisation which is registered under the Pension Funds Act and which is approved by the Commissioner in respect of the year of assessment in question: Provided that the Commissioner may approve a fund subject to such limitations and conditions as the Commissioner may determine, and shall not approve a fund in respect of any year of assessment unless the Commissioner is satisfied in respect of that year of assessment that the rules of the fund provide that—

(a)

membership of the fund consists of—

(i)
former members of any other pension fund, pension preservation fund, provident fund or provident preservation fund whose membership of that fund has terminated due to—
(aa)
resignation, retrenchment or dismissal from employment and who elected to have any lump sum benefit that is payable as a result of the termination transferred to that fund, including lump sums transferred from the member's vested component, savings component and retirement component in the previous fund to the member's vested component, savings component and retirement component in this fund;
[Item (aa) substituted by s. 1 (1) (s) of Act No. 12 of 2024 and by s. 1 (1) (r) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(bb)
the winding up or partial winding up of that fund, if the members elected or are required in terms of the rules to transfer to this fund; or
[Item (bb) substituted by s. 6 (1) (zA) of Act No. 7 of 2010 deemed to have come into operation on 1 March, 2008 and applicable in respect of lump sum benefits transferred on or after that date.]
Wording of Sections
(cc)
a transfer of business from one employer to another in terms of section 197 of the Labour Relations Act, 1995 (Act No. 66 of 1995), and the employment of the employee with the transferor employer is transferred to the transferee employer, if the members elected or are required in terms of the rules to transfer to this fund;
[Sub-para. (i) amended by s. 3 (1) (w) of Act No. 25 of 2015 with effect from 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date (Editorial Note: effective date in s. 3 (7) of Act No. 25 of 2015 substituted by s. 3 (1) (b) of Act No. 2 of 2016 as substituted by s. 98 (1) of Act No. 17 of 2017 and by s. 111 (1) of Act No. 23 of 2018).]
Wording of Sections
(ii)
former members of any other pension fund, pension preservation fund, provident fund or provident preservation fund—
(aa)
if that fund was wound up or partially wound up; or
[Item (aa) substituted by s. 6 (1) (zB) of Act No. 7 of 2010 deemed to have come into operation on 1 March, 2008 and applicable in respect of lump sum benefits transferred on or after that date.]
Wording of Sections
(bb)
who elected to have any amount received or accrued by way of a lump sum benefit contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule transferred to this fund and who made this election while they were members of that other fund, including lump sums transferred from the member's vested component, savings component and retirement component in the previous fund to the member's vested component, savings component and retirement component in this fund;
[Sub-para. (ii) amended by s. 3 (1) (x) of Act No. 25 of 2015 with effect from 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date (Editorial Note: effective date in s. 3 (7) of Act No. 25 of 2015 substituted by s. 3 (1) (b) of Act No. 2 of 2016 as substituted by s. 98 (1) of Act No. 17 of 2017 and by s. 111 (1) of Act No. 23 of 2018). Item (bb) substituted by s. 7 (1) (w) of Act No. 17 of 2009, by s. 1 (1) (t) of Act No. 12 of 2024 and by s. 1 (1) (s) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(iii)

. . . . . .
[Sub-para. (iii) substituted by s. 7 (1) (zF) of Act No. 24 of 2011, by s. 4 (1) (zQ) of Act No. 31 of 2013 and by s. 1 (1) (r) of Act No. 23 of 2018 and deleted by s. 2 (1) (k) of Act No. 23 of 2020 with effect from 1 March, 2021.]
Wording of Sections
(iv)
a person who has elected to transfer an amount awarded to that person in terms of a court order contemplated in section 7 (8) of the Divorce Act, 1979 (Act No. 70 of 1979), from a pension fund, pension preservation fund, provident fund or provident preservation fund for the benefit of that person;
[Sub-para. (iv) amended by s. 1 (1) (r) of Act No. 23 of 2018 and substituted by s. 2 (1) (l) of Act No. 23 of 2020 with effect from 1 March, 2021.]
Wording of Sections
(v)
former members of a pension fund, pension preservation fund, provident fund or provident preservation fund who have elected to have a lump sum benefit contemplated in paragraph 2 (1) (c) of the Second Schedule transferred to this fund and who made the election while they were members of that other fund, including lump sums transferred from the member's vested component, savings component and retirement component in the previous fund to the member's vested component, savings component and retirement component in this fund; or
[Sub-para. (v) added by s. 1 (1) (r) of Act No. 23 of 2018 and substituted by s. 2 (1) (l) of Act No. 23 of 2020, by s. 4 (1) (j) of Act No. 20 of 2021, by s. 1 (1) (u) of Act No. 12 of 2024 and by s. 1 (1) (t) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(vi)
former members of a pension fund, pension preservation fund, provident fund or provident preservation fund or nominees or dependants of that former member in respect of whom an "unclaimed benefit" as defined in section 1 of the Pension Funds Act and as contemplated in section 37C (1) (c) of the said Act is due or payable by that fund;
[Sub-para. (vi) added by s. 2 (1) (m) of Act No. 23 of 2020 and substituted by s. 1 (1) (k) of Act No. 20 of 2022.]
Wording of Sections
(b)
payments or transfers to the fund in respect of a member are limited to any amount contemplated in paragraph 2 (1) (a) (ii), (b) or (c) of the Second Schedule, together with the member's interest in the vested component, the member's interest in the savings component and the member's interest in the retirement component, or any unclaimed benefit as defined in the Pension Funds Act that is paid or transferred to the fund by—
(i)
a pension fund, pension preservation fund, provident fund or provident preservation fund of which that member was previously a member; or
[Sub-para. (i) substituted by s. 3 (1) (y) of Act No. 25 of 2015 with effect from 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date (Editorial Note: effective date in s. 3 (7) of Act No. 25 of 2015 substituted by s. 3 (1) (b) of Act No. 2 of 2016 as substituted by s. 98 (1) of Act No. 17 of 2017 and by s. 111 (1) of Act No. 23 of 2018).]
Wording of Sections
(ii)
a pension fund, pension preservation fund, provident fund or provident preservation fund of which such member's former spouse is or was previously a member and such payment or transfer was made pursuant to an election by such member in terms of section 37D (4) (b) (ii) of the Pension Funds Act;

[Para. (b) substituted by s. 4 (1) (u) of Act No. 60 of 2008 and amended by s. 7 (1) (x) of Act No. 17 of 2009, by s. 7 (1) (zG) of Act No. 24 of 2011, by s. 4 (1) (zR) of Act No. 31 of 2013, by s. 1 (1) (s) of Act No. 23 of 2018, by s. 1 (1) (v) of Act No. 12 of 2024 and by s. 1 (1) (u) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024. Sub-para. (ii) substituted by s. 7 (1) (y) of Act No. 17 of 2009, by s. 4 (1) (zS) of Act No. 31 of 2013 and by s. 2 (1) (j) of Act No. 23 of 2020 with effect from 1 March, 2021.]
Wording of Sections
(c)
with the exception of amounts transferred to any pension fund, pension preservation fund, other provident fund, provident preservation fund or retirement annuity fund, not more than one amount contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule is allowed to be paid to the member from the member's interest in the vested component during the period of membership of the fund or any other provident preservation fund or pension preservation fund: Provided that—
(i)
this paragraph applies separately to each payment or transfer to the vested component or an amount contemplated in para-graph 2 (1) (a) (ii), (b) or (c) of the Second Schedule or any "unclaimed benefit" as defined in the Pension Funds Act that is paid or transferred to the fund;
[Para. (i) substituted by s. 1 (1) (w) of Act No. 12 of 2024 with effect from 1 September, 2024 (Editorial Note: effective date in s. 1 (2) of Act No. 12 of 2024 as substituted by s. 2 of Act No. 6 of 2025).]
Wording of Sections
(ii)
a member shall, prior to his or her retirement date, be entitled to the payment of—
(aa)
an amount from the retirement component, that must be deemed to be a lump sum benefit contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule where a member—
(a)
. . .
(b)
is a person who is not resident for an uninterrupted period of three years or longer on or after 1 March 2021; or
(c)
departed from the Republic at the expiry of a visa obtained for the purposes of—
(AA)
working as contemplated in paragraph (i) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002); or
(BB)
a visit as contemplated in paragraph (b) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002), issued in terms of paragraph (b) of the proviso to section 11 of that Act by the Director-General, as defined in that Act;
(bb)
an amount from the vested component, that must be deemed to be a lump sum benefit contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule, where the member—
(A)
is a person who is not a resident for an uninterrupted period of three years or longer on or after 1 March 2021: Provided that the restriction of three years or longer must not apply to—
(a)
the withdrawal by the member of the amount referred to in paragraph (c); or
(b)
an amount transferred by the member in terms of paragraph 2 (1) (c) of the Second Schedule to this fund; or
[Item (A) substituted by s. 1 (1) (h) of Act No. 5 of 2026 with effect from 1 March, 2026 and applicable in respect of years of assessment commencing on or after that date.]

Wording of Sections
(B)
departed from the Republic at the expiry of a visa obtained for the purposes of—
(AA)
working as contemplated in paragraph (i) of the definition of “visa” in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002); or
(BB)
a visit as contemplated in paragraph (b) of the definition of “visa” in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002), issued in terms of paragraph (b) of the proviso to section 11 of that Act by the Director-General, as defined in that Act; and
[Para. (ii) amended by s. 2 (1) (n) of Act No. 23 of 2020 and substituted by s. 1 (1) (x) of Act No. 12 of 2024 and by s. 1 (1) (w) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(iii)
a member who has transferred a retirement interest in terms of para-graph 2 (1) (c) of the Second Schedule to this fund shall not be entitled to payment of a withdrawal benefit from the vested component as contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule in respect of that transferred amount, except to the extent that it is an amount contemplated in paragraph (ii);
[Para. (c) substituted by s. 4 (1) (u) of Act No. 60 of 2008 and by s. 7 (1) (z) of Act No. 17 of 2009 and amended by s. 2 (1) (u) of Act No. 22 of 2012 (Editorial Note: s. 4 (1) (zT) of Act No. 31 of 2013 deleted by s. 143 (1) (a) of Act No. 25 of 2015), by s. 1 (1) (t) of Act No. 23 of 2018 and by s. 1 (1) (v) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024. Para. (iii) substituted by s. 1 (1) (y) of Act No. 12 of 2024, by s. 1 (1) (x) of Act No. 44 of 2024 and by s. 1 (1) (d) of Act No. 6 of 2025 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(d)
a member, other than a member contemplated in paragraph (a) (vi) of this proviso, will become entitled to a benefit on his or her retirement date;
[Para. (d) (Editorial Note: amendment by s. 4 (1) (zU) of Act No. 31 of 2013 deleted by s. 143 (1) (a) of Act No. 25 of 2015) substituted by s. 1 (1) (k) of Act No. 17 of 2023 deemed to have come into operation on 1 March, 2021 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(e)
on retirement, 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 interest in 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 member’s interest in their vested component, calculated together with the total member’s interest in their retirement component, does not exceed R165 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension preservation fund, provident preservation fund or retirement annuity fund: Provided that in determining the value of the total member’s interest in the vested component an amount calculated as follows must not be taken into account:
(a)
in the case of a person who is or was a member of a provident fund or provident preservation fund and who is or was 55 years of age or older on 1 March 2021—
(i)
any amount contributed to a provident fund or transferred to a provident preservation fund prior to, on and after 1 March 2021 of which that person is or was a member on 1 March 2021;

(ii)
with the addition of any other amount credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on and after 1 March 2021; and
(iii)
any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (i) or amounts credited contemplated in subparagraph (ii);
(b)
in any other case of a person who is or was a member of a provident fund or provident preservation fund on 1 March 2021—
(i)
any amount contributed to a provident fund or transferred to a provident preservation fund prior to 1 March 2021;
(ii)
with the addition of any other amounts credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund as a result of the value of the member's individual account or minimum individual reserve on 1 March 2021; and
(iii)
any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (i) or amounts credited contemplated in subparagraph (ii),
reduced proportionally by an amount permitted in terms of the Pension Funds Act to be deducted from the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on and after 1 March 2021: Provided further that in the case where the remaining balance is utilised to provide or purchase more than one annuity, the amount utilised to provide or purchase each annuity must exceed R165 000:
[Para. (e) (Editorial Note: addition by s. 4 (1) (zV) of Act No. 31 of 2013 substituted by s. 119 (1) (c) of Act No. 43 of 2014 and deleted by s. 143 (1) (a) and by s. 155 (1) of Act No. 25 of 2015 respectively and amendment by s. 3 (1) (z) of Act No. 25 of 2015 deleted by s. 3 (1) (a) of Act No. 2 of 2016) substituted by s. 1 (1) (d) of Act No. 2 of 2016 (Editorial Note: as substituted by s. 97 (1) (a) of Act No. 17 of 2017, by s. 110 (1) (a) of Act No. 23 of 2018 and by s. 75 (1) of Act No. 23 of 2020) and by s. 4 (1) (k) of Act No. 20 of 2021 and amended by s. 1 (1) (l) of Act No. 17 of 2023, by s. 1 (1) (z) of Act No. 12 of 2024, by s. 1 (1) (y) of Act No. 44 of 2024 and by s. 1 (1) (i) of Act No. 5 of 2026 deemed to have come into operation on 1 September 2024.]
Wording of Sections
Provided further that—
(i)
the rules of a provident fund that is doing the business of a preservation fund as prescribed by the Commissioner from time to time must be submitted to the Commissioner for approval in terms of the provisions of this definition before 30 September 2010; and
(ii)
the rules of the provident fund contemplated in paragraph (i) that are submitted before 30 September 2010 are deemed to have been approved under this definition with effect from the date that the rules are submitted until the date that the Commissioner notifies the fund of its status under this definition:
Provided further that the Commissioner may approve a fund in respect of any year of assessment, if the Commissioner is satisfied that the rules of the fund provide for the creation of a savings component, retirement component and vested component;
[Definition of "provident preservation fund" inserted by s. 2 (1) (w) of Act No. 3 of 2008 and amended by s. 4 (1) (v) of Act No. 60 of 2008, by s. 6 (1) (zC) of Act No. 7 of 2010, by s. 4 (1) (zP) of Act No. 31 of 2013, by s. 1 (1) (zA) of Act No. 12 of 2024 and

by s. 1 (1) (z) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
"Public Finance Management Act" means the Public Finance Management Act, 1999 (Act No. 1 of 1999);
[Definition of "Public Finance Management Act" inserted by s. 4 (1) (zW) of Act No. 31 of 2013.]
"Public Private Partnership" means a Public Private Partnership as defined in—
(a)
Regulation 16 of the Treasury Regulations issued in terms of section 76 of the Public Finance Management Act; or
(b)
the Municipal Public-Private Partnership Regulations made in terms of section 168 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
[Definition of "Public Private Partnership" inserted by s. 3 (1) (c) of Act No. 32 of 2004 and substituted by s. 4 (1) (zX) of Act No. 31 of 2013 and by s. 1 (1) (n) of Act No. 43 of 2014.]
Wording of Sections
"qualifying investor" means a member of a partnership or foreign partnership or a beneficiary of a trust if the liability of the member or beneficiary to any creditor of the partnership, trust or foreign partnership is limited to the amount that the member or beneficiary has contributed or undertaken to contribute to the partnership, trust or foreign partnership, unless that member or beneficiary—
(a)
participates in the effective management of the trade or business of the partnership, trust or foreign partnership;
(b)
has the authority to act on behalf of—
(i)
the partnership or foreign partnership;
(ii)
the members of the partnership or foreign partnership; or
(iii)
the trust; or
(c)
renders any services to or on behalf of the partnership, trust or foreign partnership;
[Definition of "qualifying investor" inserted by s. 6 (1) (zD) of Act No. 7 of 2010 deemed to have come into operation as from the commencement of years of assessment commencing on or after 1 January, 2011.]
"qualifying statutory rate" . . . . . .
[Definition of "qualifying statutory rate" inserted by s. 6 (1) (o) of Act No. 74 of 2002 and deleted by s. 12 (1) (h) of Act No. 45 of 2003 with effect from 1 June, 2004 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
"regional electricity distributor" . . . . . .
[Definition of "regional electricity distributor" inserted by s. 3 (1) (n) of Act No. 20 of 2006, amended by s. 4 (1) (zY) of Act No. 31 of 2013 and deleted by s. 1 (1) (o) of Act No. 43 of 2014.]
Wording of Sections
"regulation" means a regulation in force under this Act;
"REIT" means a company that is a resident—
(a)
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;

[Definition of “REIT” inserted by s. 2 (1) (v) of Act No. 22 of 2012 with effect from 1 April, 2013 and applicable in respect of years of assessment commencing on or after that date, amended by s. 4 (1) (zZ) of Act No. 31 of 2013, by s. 1 (1) (u) of Act No. 23 of 2018, by s. 2 (1) (f) of Act No. 34 of 2019, by s. 2 (1) (o) of Act No. 23 of 2020 and substituted by s. 1 (1) (f) of Act No. 42 of 2024 w.e.f. 19 August, 2026: Government Notice No. R.7838 in Government Gazette 55220 dated 19 August, 2026.]

Wording of Sections

“relative” in relation to any person, means the spouse of that person or anybody related to that person or that person’s spouse within the third degree of consanguinity, or any spouse of anybody so related, and for the purpose of determining the relationship between any child referred to in the definition of “child” in this section and any other person, that child shall be deemed to be related to the adoptive parent of that child within the first degree of consanguinity;

[Definition of “relative” inserted by s. 4 (c) of Act No. 90 of 1964 and substituted by s. 1 (1) (v) of Act No. 23 of 2018.]

Wording of Sections

“remuneration proxy”, in relation to a year of assessment, means the remuneration, as defined in paragraph 1 of the Fourth Schedule, derived by an employee from an employer during the year of assessment immediately preceding that year of assessment, other than the cash equivalent of the value of a taxable benefit derived from the occupation of residential accommodation as contemplated in subparagraph (3) of paragraph 9 of the Seventh Schedule in the application of that subparagraph: Provided that—

(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;

[Para. (a) substituted by s. 1 (1) (g) of Act No. 42 of 2024 with effect from 1 March, 2025 and applicable in respect of years of assessment commencing on or after that date.]

Wording of Sections

(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:

[Para. (b) substituted by s. 1 (1) (g) of Act No. 42 of 2024 with effect from 1 March, 2025 and applicable in respect of years of assessment commencing on or after that date.]

Wording of Sections

Provided further that an amount of remuneration referred to in this definition must be increased by the amount that is exempt from tax under section 10 (1) (o) during the relevant period in the previous year of assessment;

[Definition of “remuneration proxy” inserted by s. 4 (1) (zZa) of Act No. 31 of 2013 and amended by s. 3 (1) (zA) of Act No. 25 of 2015, by s. 5 (1) (h) of Act No. 15 of 2016 and by s. 1 (1) (j) of Act No. 5 of 2026 with effect from 1 March, 2026 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
“representative taxpayer” means a natural person who resides in the Republic and—
(a)
in respect of the income of a company, the public officer thereof, or in the event of such company being placed under business rescue in terms of Chapter 6 of the Companies Act, the business rescue practitioner;
[Para. (a) substituted by s. 1 of Act No. 44 of 2014.]
Wording of Sections
(b)
in respect of the income under his or her management, disposition or control, the agent of any person;
[Para. (b) substituted by s. 271 read with para. 23 (h) of Sch. 1 of Act No. 28 of 2011.]
Wording of Sections
(c)
in respect of income which is the subject of any trust or in respect of the income of any minor or any other person under legal disability, the trustee, guardian, curator or other person entitled to the receipt, management, disposal or control of such income or remitting or paying to or receiving moneys on behalf of such person under disability;
[Para. (c) substituted by s. 4 of Act No. 21 of 2012 and by s. 2 of Act No. 24 of 2020.]
Wording of Sections
(d)
in respect of income paid under the decree or order of any court or judge to any receiver or other person, such receiver or person, whoever may be entitled to the benefit of such income, and whether or not it accrues to any person on a contingency or an uncertain event;
(e)
in respect of the income received by or accrued to any deceased person during his lifetime and the income received by or accrued to the estate of any deceased person, the executor or administrator of the estate of such deceased person;
(f)
in respect of the income received by or accrued to any insolvent person prior to the date of sequestration of the insolvent person’s estate and the income received by or accrued to an insolvent estate, the trustee or administrator of such insolvent estate:
[Para. (f) added by s. 2 (1) (l) of Act No. 28 of 1997 and substituted by s. 1 of Act No. 4 of 2026.]
Wording of Sections
Provided that for the purposes of this definition income includes any amount received or accrued or deemed to have been received or accrued in consequence of the disposal of any asset envisaged in the Eighth Schedule;
[Definition of “representative taxpayer” amended by s. 5 (h) of Act No. 5 of 2001 and by s. 271 read with para. 23 (g) and (i) of Sch. 1 of Act No. 28 of 2011.]
Wording of Sections
“Republic” means the Republic of South Africa and, when used in a geographical sense, includes the territorial sea thereof as well as any area outside the territorial sea which has been or may be designated, under international law and the laws of South Africa, as areas within which South Africa may exercise sovereign rights or jurisdiction with regard to the exploration or exploitation of natural resources;
[Definition of “Republic” inserted by s. 6 (1) (f) of Act No. 89 of 1969, substituted by s. 6 (b) of Act No. 52 of 1970, by s. 4 (1) (d) of Act No. 90 of 1972, amended by s. 4 (1) (m) of Act No. 85 of 1974, by s. 2 (1) (g) of Act No. 94 of 1983 and substituted by s. 3 (1) (o) of Act No. 20 of 2006 deemed to have come into operation on 2 November, 2006 and applicable in respect

of any year of assessment commencing on or after that date to the extent that it relates to para. 2 of the Tenth Schedule, and with effect from 1 March, 2008 and applicable in respect of any year of assessment commencing on or after that date to the extent that it relates to any other provision of this Act (Editorial Note: effective date in s. 3 (2) and (3) of Act No. 20 of 2006 as amended by s. 95 (1) of Act No. 8 of 2007 and added by s. 111 (1) (b) of Act No. 35 of 2007).]

Wording of Sections

“resident” means any—

(a)

natural person who is—

(i)

ordinarily resident in the Republic; or

(ii)

not at any time during the relevant year of assessment ordinarily resident in the Republic, if that person was physically present in the Republic—

(aa)

for a period or periods exceeding 91 days in aggregate during the relevant year of assessment, as well as for a period or periods exceeding 91 days in aggregate during each of the five years of assessment preceding such year of assessment; and

[Item (aa) substituted by s. 3 (1) (i) of Act No. 32 of 2005 with effect from 1 March, 2006 and applicable in respect of any year of assessment commencing on or after that date in respect of any person who by virtue of para. (a) (ii) of the definition of “resident” was resident on 28 February, 2005; and deemed to have come into operation on 1 March, 2005 and applicable in respect of any year of assessment commencing on or after that date in respect of any other person.]

Wording of Sections

(bb)

for a period or periods exceeding 915 days in aggregate during those five preceding years of assessment,

[Item (bb) substituted by s. 3 (1) (i) of Act No. 32 of 2005 with effect from 1 March, 2006 and applicable in respect of any year of assessment commencing on or after that date in respect of any person who by virtue of para. (a) (ii) of the definition of “resident” was resident on 28 February, 2005; and deemed to have come into operation on 1 March, 2005 and applicable in respect of any year of assessment commencing on or after that date in respect of any other person.]

Wording of Sections

in which case that person will be a resident with effect from the first day of that relevant year of assessment: Provided that—

(A)

a day shall include a part of a day, but shall not include any day that a person is in transit through the Republic between two places outside the Republic and that person does not formally enter the Republic through a “port of entry” as contemplated in section 9 (1) of the Immigration Act, 2002 (Act No. 13 of 2002), or at any other place as may be permitted by the Director General of the Department of Home Affairs or the Minister of Home Affairs in terms of that Act; and

[Para. (A) substituted by s. 6 (1) (p) of Act No. 74 of 2002, by s. 12 (1) (k) of Act No. 45 of 2003 and by s. 3 (1) (j) of Act No. 32 of 2005 deemed to have come into operation on 1 July, 2005.]

(B)

where a person who is a resident in terms of this subparagraph is physically outside the Republic for a continuous period of at least 330 full days immediately after the day on which such person ceases to be physically present in the Republic, such person shall be deemed not to have been a resident from the day on which such person so ceased to be physically present in the Republic; or

[Sub-para. (ii) amended by s. 12 (1) (i) and (j) of Act No. 45 of 2003.]
Wording of Sections
(b)
person (other than a natural person) which is incorporated, established or formed in the Republic or which has its place of effective management in the Republic,
[Para. (b) substituted by s. 12 (1) (l) of Act No. 45 of 2003 with effect from 1 June, 2004 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
but does not include any person who is deemed to be exclusively a resident of another country for purposes of the application of any agreement entered into between the governments of the Republic and that other country for the avoidance of double taxation: Provided that where any person that is a resident ceases to be a resident during a year of assessment, that person must be regarded as not being a resident from the day on which that person ceases to be a resident: Provided further that in determining whether a person that is a foreign investment entity has its place of effective management in the Republic, no regard must be had to any activity that—
(a)
constitutes—
(i)
a financial service as defined in section 1 of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002); or
(ii)
any service that is incidental to a financial service contemplated in subparagraph (i) where the incidental service is in respect of a financial product that is exempted from the provisions of that Act, as contemplated in section 1 (2) of that Act; and
(b)
is carried on by a financial service provider as defined in section 1 of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), in terms of a licence issued to that financial service provider under section 8 of that Act;
[Definition of "resident" inserted by s. 2 (h) of Act No. 59 of 2000 and amended
by s. 33 (1) of Act No. 12 of 2003, (Editorial Note: s. 2 (1) (w) of Act No. 22 of 2012 deleted
by s. 191 (1) (a) of Act No. 31 of 2013 deemed to have come into operation on 1 January, 2013 and applicable in respect of years of assessment commencing on or after that date),
by s. 2 (1) (x) of Act No. 22 of 2012 deemed to have come into operation on 8 May, 2012 and applicable in respect of any person that ceases to be a resident on or after that date (Editorial Note: this provision adds the proviso) and by s. 2 (1) (y) of Act No. 22 of 2012 with effect from 1 January, 2013 and applicable in respect of years of assessment commencing on or after that date (Editorial Note: this provision adds the further proviso).]
Wording of Sections
"residential unit" means a building or self-contained apartment mainly used for residential accommodation, unless the building or apartment is used by a person in carrying on a trade as an hotel keeper;
[Definition of "residential unit" inserted by s. 4 (1) (w) of Act No. 60 of 2008 deemed to have come into operation on 21 October, 2008.]
"retirement annuity fund" means any fund (other than a pension fund, provident fund or benefit fund) which is approved by the Commissioner in respect of the year of assessment in question and, in the case of any such fund established on or after 1 July 1986, is registered under the provisions of the Pension Funds Act: Provided that the Commissioner may approve a fund subject to such limitations or conditions as he may determine, and shall not approve any fund in respect of any year of assessment unless he is in respect of that year of assessment satisfied—
(a)
that the fund is a permanent fund bona fide established for the sole purpose of providing life annuities for the members of the fund or annuities for the dependants or nominees of deceased members or for the purpose of providing any savings withdrawal benefit; and

[Para. (a) substituted by s. 2 (g) of Act No. 21 of 1995, by s. 1 (1) (zB) of Act No. 12 of 2024 and by s. 1 (1) (zA) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(b)
that the rules of the fund provide—
(i)
for contributions by the members, including contributions made by way of transfer of members' interests in approved pension funds, pension preservation funds, provident funds, provident preservation funds or other retirement annuity funds;
[Sub-para. (i) amended by s. 4 (d) of Act No. 90 of 1964 and substituted by s. 2 of Act No. 96 of 1981 and by s. 7 (1) (zH) of Act No. 24 of 2011 with effect from 1 March, 2012.]
Wording of Sections
(ii)
that on retirement 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 interest in 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 member's interest in the vested component, calculated together with the total member's interest in the retirement component does not exceed R165 000, or where the member is deceased 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: Provided that in determining the value of the total member's interest in the vested component an amount calculated as follows must not be taken into account:
(a)
in the case of a person who was a member of a provident fund or a provident preservation fund and who was 55 years of age or older on 1 March 2021—
(i)
any amount contributed to a provident fund or transferred to a provident preservation fund prior to, on and after 1 March 2021 of which that person was a member on 1 March 2021;
(ii)
with the addition of any other amounts credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on and after 1 March 2021; and
(iii)
any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (i) or amounts credited contemplated in subparagraph (ii);
(b)
in any other case of a person who was a member of a provident fund or provident preservation fund on 1 March 2021—
(i)
any amount contributed to a provident fund or transferred to a provident preservation fund prior to 1 March 2021;
(ii)
with the addition of any other amounts credited to the member's individual account or minimum individual reserve of the provident fund or provident preservation fund as a result of the value of the member's individual account or minimum individual reserve on 1 March 2021; and
(iii)

any fund return, as defined in the Pension Funds Act, in relation to the contributions or transfers contemplated in subparagraph (i) or amounts credited contemplated in subparagraph (ii),

reduced proportionally by an amount permitted to be deducted in terms of the Pension Funds Act from the member's individual account or minimum individual reserve of the provident fund or provident preservation fund prior to, on and after 1 March 2021: Provided further that in the case where the remaining balance is utilised to provide or purchase more than one annuity, the amount utilised to provide or purchase each annuity must exceed R165 000;

[Sub-para. (ii) substituted by s. 4 (1) (e) of Act No. 90 of 1972, amended by s. 3 (1) (d) of Act No. 91 of 1982, substituted by s. 2 (1) (d) of Act No. 101 of 1990, amended by s. 2 (1) (k) of Act No. 113 of 1993 and by s. 2 (2) (b) of Act No. 8 of 2007, substituted by s. 3 (1) (g) of Act No. 8 of 2007, by s. 2 (1) (x) of Act No. 3 of 2008, by s. 4 (1) (x) of Act No. 60 of 2008 (Editorial Note: s. 4 (1) (zZc) of Act No. 31 of 2013 deleted by s. 143 (1) (a) of Act No. 25 of 2015), by s. 3 (1) (zB) of Act No. 25 of 2015 (Editorial Note: s. 3 (1) (zC) of Act No. 25 of 2015, deleted by s. 3 (1) (a) of Act No. 2 of 2016) and by s. 1 (1) (e) of Act No. 2 of 2016 (Editorial Note: as substituted by s. 97 (1) (a) of Act No. 17 of 2017, by s. 110 (1) (a) of Act No. 23 of 2018 and by s. 75 (1) of Act No. 23 of 2020 which erroneously omits the words preceding item (a) of sub-para. (ii)) and amended by s. 4 (1) (l) and (m) of Act No. 20 of 2021, by s. 1 (1) (zC) of Act No. 12 of 2024, by s. 1 (1) (zB) of Act No. 44 of 2024, by s. 1 (1) (h) of Act No. 42 of 2024,
by s. 1 (1) (e) of Act No. 6 of 2025 deemed to have come into operation on 1 March, 2025 and applicable in respect of years of assessment commencing on or after that date,
by s. 1 (1) (f) of Act No. 6 of 2025 deemed to have come into operation on 1 September, 2024 and by s. 1 (1) (k) of Act No. 5 of 2026 deemed to have come into operation on 1 September 2024.]

Wording of Sections

(iii)

. . . . . .

[Sub-para. (iii) substituted by s. 2 (h) of Act No. 21 of 1995 and deleted by s. 2 (1) (y) of Act No. 3 of 2008.]

Wording of Sections

(iv)

. . . . . .

[Sub-para. (iv) deleted by s. 2 (1) (y) of Act No. 3 of 2008.]

Wording of Sections

(v)

that no member shall become entitled to the payment of any annuity or lump sum benefit contemplated in paragraph 2 (1) (a) of the Second Schedule prior to reaching normal retirement age;

[Sub-para. (v) substituted by s. 2 (1) (z) of Act No. 3 of 2008 and by s. 7 (1) (zA) of Act No. 17 of 2009.]

Wording of Sections

(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;

[Sub-para. (vA) inserted by s. 1 (1) (i) of Act No. 42 of 2024 with effect from 1 March, 2025 and applicable in respect of years of assessment commencing on or after that date.]

(vi)

. . . . . .

[Sub-para. (vi) substituted by s. 2 (i) of Act No. 21 of 1995 and deleted by s. 2 (1) (zA) of Act No. 3 of 2008.]

Wording of Sections

(vii)

. . . . . .
[Sub-para. (vii) substituted by s. 2 (i) of Act No. 21 of 1995 and deleted by s. 2 (1) (zA) of Act No. 3 of 2008.]
Wording of Sections
(viii)
. . . . . .
[Sub-para. (viii) substituted by s. 6 (1) (g) of Act No. 89 of 1969 and deleted by s. 4 (a) of Act No. 103 of 1976.]
Wording of Sections
(ix)
. . . . . .
[Sub-para. (ix) substituted by s. 6 (1) (g) of Act No. 89 of 1969 and deleted by s. 4 (a) of Act No. 103 of 1976.]
Wording of Sections
(x)
that a member who discontinues his or her contributions prior to his or her retirement date shall be entitled to—
(aa)
an annuity or a lump sum benefit contemplated in paragraph 2 (1) (a) of the Second Schedule payable on that date;
(bb)
be reinstated as a full member under conditions prescribed in the rules of the fund;
(cc)
the payment of a lump sum benefit contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule where the member's interest in the 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
[Item (cc) substituted by s. 1 (1) (j) of Act No. 42 of 2024 with effect from 1 March, 2025 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(dd)
the payment of—
(A)
an amount from the retirement component, that must be deemed to be a lump sum benefit contemplated in para-graph 2 (1) (b) (ii) of the Second Schedule where that member—
(AA)
. . .
(BB)
is a person who is not a resident for an uninterrupted period of three years or longer on or after 1 March 2021; or
(CC)
departed from the Republic at the expiry of a visa obtained for the purposes of—
(AAA)
working as contemplated in paragraph (i) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002); or
(BBB)
a visit as contemplated in paragraph (b) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002), issued in terms of paragraph (b) of the proviso to section 11 of that Act by the Director-General, as defined in section 1 of that Act; or
(B)
an amount from the vested component, that must be deemed to be a lump sum benefit contemplated in paragraph 2 (1) (b) (ii) of the Second Schedule, where the member—
(AA)

is a person who is not a resident for an uninterrupted period of three years or longer on or after 1 March 2021; or
(BB)
departed from the Republic at the expiry of a visa obtained for the purposes of—
(AAA)
working as contemplated in para-graph (i) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002); or
(BBB)
a visit as contemplated in paragraph (b) of the definition of "visa" in section 1 of the Immigration Act, 2002 (Act No. 13 of 2002), issued in terms of paragraph (b) of the proviso to section 11 of that Act by the Director-General, as defined in that Act;
[Sub-para. (x) substituted by s. 3 (1) (p) of Act No. 20 of 2006, by s. 2 (1) (zB) of Act No. 3 of 2008 and by s. 7 (1) (zB) of Act No. 17 of 2009. Item (dd) substituted by s. 3 (1) (zD) of Act No. 25 of 2015 and by s. 5 (1) (i) of Act No. 15 of 2016, amended by s. 2 (1) (p) and (q) of Act No. 23 of 2020 and substituted by s. 1 (1) (zC) of Act No. 12 of 2024 and by s. 1 (1) (zC) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(xi)
that upon the winding up of the fund a member's withdrawal interest therein must—
(aa)
where the member received an annuity from the fund on the date upon which the fund is wound up, be used to purchase an annuity (including a living annuity) from any other fund; or
(bb)
in any other case, be paid for the member's benefit into any other retirement annuity fund;
[Sub-para. (xi) substituted by s. 2 (1) (zB) of Act No. 3 of 2008.]
Wording of Sections
(xii)
that save—
(aa)
as is contemplated in subparagraph (ii);
(bb)
for the transfer of any member's interest in any approved retirement annuity fund into another approved retirement annuity fund: Provided that the value of each individual contract being transferred must exceed R371 250: Provided further that—
(a)
in the case where the total member's interest in any approved retirement annuity fund is not transferred into another approved retirement annuity fund, the value of the member's remaining interest after the transfer must exceed R371 250; and
(b)
the provisions of the first proviso and paragraph (a) of the further proviso shall not apply in the case where the member's total interest in any approved retirement annuity fund is transferred into another approved retirement annuity fund;
[Item (bb) substituted by s. 5 (1) (r) of Act No. 35 of 2007, by s. 1 (1) (l) of Act No. 20 of 2022 and by s. 1 (1) (m) of Act No. 17 of 2023 deemed to have come into operation on 1 March, 2023 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(cc)
for the benefit contemplated in subparagraph (x) (cc);
[Item (cc) substituted by s. 5 (1) (r) of Act No. 35 of 2007 and by s. 6 (1) (zE) of Act No. 7 of 2010 deemed to have come into operation on 1 March, 2009.]
Wording of Sections
(dd)

as is contemplated in Part V of the Policyholder Protection Rules promulgated in terms of section 62 of the Long-term Insurance Act; or

[Item (dd) substituted by s. 5 (1) (r) of Act No. 35 of 2007 and by s. 4 (1) (zZd) of Act No. 31 of 2013.]

Wording of Sections

(ee)

for any deduction contemplated in paragraph 2 (1) (b) of the Second Schedule,

[Item (ee) added by s. 5 (1) (r) of Act No. 35 of 2007 and substituted by s. 7 (1) (zC) of Act No. 17 of 2009.]

Wording of Sections

no member's rights to benefits shall be capable of surrender, commutation or assignment or of being pledged as security for any loan;

[Sub-para. (xii) substituted by s. 19 (1) (l) of Act No. 30 of 1998 and by s. 3 (1) (q) of Act No. 20 of 2006 (Editorial Note: effective date in s. 3 (2) of Act No. 20 of 2006 as amended by s. 95 (1) of Act No. 8 of 2007).]

Wording of Sections

(xiii)

that the Commissioner shall be notified of all amendments of the rules; and

(c)

that the rules of the fund have been complied with:

Provided further that the Commissioner may approve a fund in respect of any year of assessment, if the Commissioner is satisfied that the rules of the fund provide for the creation of a savings component, retirement component and vested component;

[Definition of "retirement annuity fund" amended by s. 2 (1) (e) of Act No. 65 of 1986, by s. 4 (1) (zZb) of Act No. 31 of 2013, by s. 1 (1) (zE) of Act No. 12 of 2024 and by s. 1 (1) (zD) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]

Wording of Sections

"retirement component" means a component established in terms of the rules of a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund for a person who is a member of that fund, if the rules of the fund provide that—

(a)

two-thirds of the total retirement contributions to a pension fund, provident fund or retirement annuity fund by or on behalf of that member on or after 1 September 2024 are allocated to this component: Provided that—

(i)

in determining the value of the contributions to this component an amount of charges and risk premiums deductible against such contributions must not be taken into account;

(ii)

in the case of funds with a defined benefit funding structure, the total value attributed to this component on or after 1 September 2024 is to be determined with reference to two-thirds of the member's "pensionable service" as contemplated in the rules of that fund on or after 1 September 2024; and

(iii)

a fund with a defined benefit structure that is unable to allocate contributions as contemplated in paragraph (ii) may allocate contributions utilising a reasonable method of allocation as approved by the Financial Sector Conduct Authority;

(b)

. . .

(c)

any amounts transferred from a retirement component of any other pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund on or after 1 September 2024 are allocated to this component;

[Para. (c) amended by s. 1 (1) (g) of Act No. 6 of 2025 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
(cA)
any amounts transferred from a savings component or vested component of any other pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund on or after 1 September 2024 may be allocated to this component; and
[Para. (cA) inserted by s. 1 (1) (g) of Act No. 6 of 2025 deemed to have come into operation on 1 September, 2024.]
(d)
the total value of the member's interest in 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 the total member's interest in the retirement component calculated together with two-thirds of the total member's interest in the vested component does not exceed R165 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund:
Provided that this definition shall not apply to—
(i)
a "beneficiary fund", "pensioner" or a member to whom an "unclaimed benefit" as defined in section 1 of the Pension Funds Act is due as at 31 August 2024, a fund where a liquidator has been appointed in terms of the Pension Funds Act before 31 August 2024, and a fund with no member assets immediately before 1 September 2024;
(ii)
a legacy retirement annuity policy; or
(iii)
any person who is or was a member of a provident fund and who was 55 years of age or older on 1 March 2021 and is still a member of the same provident fund, or any person who is a member of a provident preservation fund and who was 55 years of age or older on 1 March 2021, unless such person has elected to contribute to this component within 12 months of 1 September 2024;
[Definition of "retirement component" added by s. 1 (1) (zF) of Act No. 12 of 2024 and substituted by s. 1 (1) (zE) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024. Para. (iii) substituted by s. 1 (1) (h) of Act No. 6 of 2025 deemed to have come into operation on 1 September, 2024 (Editorial Note: instructions erroneously refer to para. (iii) of the further proviso to the definition of "retirement component" instead of to the proviso).]
Wording of Sections
"retirement date" means the date on which—
(a)
a member of a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund, elects to retire and in terms of the rules of that fund, becomes entitled to an annuity or a lump sum benefit contemplated in paragraph 2 (1) (a) (i) of the Second Schedule on or subsequent to attaining normal retirement age; or
[Para. (a) substituted by s. 1 (1) (p) of Act No. 43 of 2014 and by s. 2 (1) (i) of Act No. 17 of 2017 and by s. 1 (1) (w) of Act No. 23 of 2018 deemed to have come into operation on 1 March, 2018 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(b)
a nominee or dependant of a deceased member of a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund, in terms of the rules of that fund, becomes entitled to an annuity or a lump sum benefit contemplated in paragraph 2 (1) (a) (i) of the Second Schedule on the death of the member;

[Definition of “retirement date” inserted by s. 2 (1) (zC) of Act No. 3 of 2008 and substituted by s. 7 (1) (zD) of Act No. 17 of 2009 and by s. 7 (1) (zI) of Act No. 24 of 2011 deemed to have come into operation on 1 March, 2009.]
Wording of Sections
“retirement-funding employment” . . . . . .
[Definition of “retirement-funding employment” inserted by s. 3 (1) (d) of Act No. 104 of 1979, amended by s. 2 (1) (h) of Act No. 94 of 1983, by s. 2 (1) (i) of Act No. 121 of 1984, by s. 2 (1) (l) of Act No. 113 of 1993, by s. 2 (1) (b) of Act No. 21 of 1994, by s. 6 (1) (q) of Act No. 74 of 2002, by s. 3 (1) (h) and (i) of Act No. 8 of 2007, by s. 2 (1) (zD) of Act No. 3 of 2008 and by s. 4 (1) (y) of Act No. 60 of 2008 and deleted by s. 4 (1) (zZe) of Act No. 31 of 2013 with effect from 1 March, 2015 and applicable in respect of contributions made on or after that date (Editorial Note: effective date in s. 4 (15) of Act No. 31 of 2013 added by s. 119 (1) (d) of Act No. 43 of 2014 as repealed by s. 155 (1) of Act No. 25 of 2015).]
Wording of Sections
“retirement fund lump sum benefit” means an amount determined in terms of paragraph 2 (1) (a) or (c) of the Second Schedule;
[Definition of “retirement fund lump sum benefit” inserted by s. 3 (1) (j) of Act No. 8 of 2007, substituted by s. 2 (1) (zE) of Act No. 3 of 2008, by s. 7 (1) (zE) of Act No. 17 of 2009 and by s. 2 (1) (j) of Act No. 17 of 2017 with effect from 1 March, 2018 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
“retirement fund lump sum withdrawal benefit” means an amount determined in terms of paragraph 2 (1) (b) of the Second Schedule;
[Definition of “retirement fund lump sum withdrawal benefit” inserted by s. 2 (1) (zF) of Act No. 3 of 2008 and substituted by s. 7 (1) (zF) of Act No. 17 of 2009.]
Wording of Sections
“retirement interest” means—
(a)
in relation to any period prior to 1 September 2024, a member’s share of the value of a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund as determined in terms of the rules of the fund on the date on which he or she elects to retire or transfer to a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund; or
(b)
in relation to any period commencing on 1 September 2024, a member’s share of the value of a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund as determined in terms of the rules of the fund comprising the member’s interest in the savings component, member’s interest in the retirement component and member’s interest in the vested component, on the date on which he or she elects to retire or transfer to a pension preservation fund, provident preservation fund or retirement annuity fund as contemplated in paragraph 2 (1) (c) of the Second Schedule or transfer to a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund as contemplated in paragraph 2 (1) (d) of the Second Schedule;
[Definition of “retirement interest” inserted by s. 2 (1) (zF) of Act No. 3 of 2008 and substituted by s. 1 (1) (q) of Act No. 43 of 2014, by s. 2 (1) (k) of Act No. 17 of 2017, by s. 1 (1) (x) of Act No. 23 of 2018, by s. 1 (1) (n) of Act No. 17 of 2023 and by s. 1 (1) (zG) of Act No. 12 of 2024 with effect from 1 September, 2024 (Editorial Note: effective date in s. 1 (2) of Act No. 12 of 2024 as substituted by s. 2 of Act No. 6 of 2025).]
Wording of Sections
“return” means a return as defined in section 1 of the Tax Administration Act;
[Definition of “return” inserted by s. 271 read with para. 23 (j) of Sch. 1 of Act No. 28 of 2011.]
“return of capital” means any amount transferred by a company that is a resident for the benefit or on behalf of any person in respect of any share in that company to the extent that

that transfer results in a reduction of contributed tax capital of the company, whether that amount is transferred—
(a)
by way of a distribution made by; or
(b)
as consideration for the acquisition of any share in,
that company, but does not include any amount so transferred to the extent that the amount so transferred constitutes—
(i)
shares in the company; or
(ii)
an acquisition by the company of its own securities by way of a general repurchase of securities as contemplated in subparagraph (b) of paragraph 5.67(B) of section 5 of the JSE Limited Listings Requirements, where that acquisition complies with any applicable requirements prescribed by paragraphs 5.68 and 5.72 to 5.81 of section 5 of the JSE Limited Listings Requirements or by way of a general repurchase of securities 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 acquisition complies with the applicable requirements of that exchange;
[Definition of "return of capital" inserted by s. 7 (1) (zJ) of Act No. 24 of 2011 deemed to have come into operation on 1 January, 2011. Para. (ii) substituted by s. 2 (1) (l) of Act No. 17 of 2017 and by s. 2 (1) (g) of Act No. 34 of 2019 deemed to have come into operation on 1 March, 2019.]
Wording of Sections
"savings component" means a component established in terms of the rules of a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund for a person who is a member of that fund: Provided that the rules of the fund provide that —
(a)
a one-off amount of 10 per cent of the total value of each contract in the fund as at 31 August 2024, limited to R30 000, is allocated to this component on or after 1 September 2024: Provided that—
(i)
the amount may be determined on or after 1 September 2024, and the allocation must be backdated to that date; and
(ii)
in the case of any person who is or was a member of a provident fund or provident preservation fund and who is or was 54 years of age or younger on 1 March 2021, the one-off amount is to be calculated proportionally between that member's fund value in that provident fund or provident preservation fund on 28 February 2021, including the increase in the value up to and including 31 August 2024 from that fund, and the value of contributions received on or after 1 March 2021, including any fund return on those contributions;
(b)
one-third of the total retirement contributions to a pension fund, provident fund or retirement annuity fund by or on behalf of that member on or after 1 September 2024 is allocated to this component: Provided that—
(i)
in determining the value of the contributions to this component an amount of charges and risk premiums deductible against such contributions must not be taken into account;
(ii)
in the case of funds with a defined benefit funding structure, the total value attributed to this component on or after 1 September 2024 is to be determined with reference to one-third of the

member's "pensionable service" as contemplated in the rules of that fund on or after 1 September 2024; and

(iii)

a fund with a defined benefit structure that is unable to allocate contributions as contemplated in subparagraph (ii) may allocate contributions utilising a reasonable method of allocation approved by the Financial Sector Conduct Authority;

(c)

. . .

(d)

any amounts transferred from a savings component of any other pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund on or after 1 September 2024 are allocated to this component;

(e)

the member may elect to allocate the value of the member's interest in this component into the member's retirement component in that fund;

(f)

the member's interest in this component or portion thereof may be paid in the form of a savings withdrawal benefit;

(g)

the member's interest in this component may, on election of the member, nominee or dependant—

(i)

on the death of the member, be paid to a nominee or dependant of the deceased member and is deemed to be a lump sum benefit contemplated in paragraph 2 (1) (a) of the Second Schedule; or

(ii)

on retirement, be paid to the retired member and is deemed to be a lump sum benefit contemplated in paragraph 2 (1) (a) of the Second Schedule and any portion of the member's interest in this component not paid as a lump sum benefit must be added to the amount available to be paid in the form of an annuity, a combination of annuities or a combination of types of annuities as contemplated in paragraph (d) of the definition of "retirement component":

[Para. (g) substituted by s. 1 (1) (i) of Act No. 6 of 2025 deemed to have come into operation on 1 September, 2024 and amended by s. 1 (1) (l) of Act No. 5 of 2026 deemed to have come into operation on 1 September 2024.]

Wording of Sections

Provided further that this definition shall not apply to—

(i)

a "beneficiary fund", "pensioner" or "a member" to whom an unclaimed benefit as defined in section 1 of the Pension Funds Act is due at 31 August 2024, a fund where a liquidator has been appointed in terms of the Pension Funds Act before 31 August 2024 and a fund with no member assets immediately before 1 September 2024

(ii)

a legacy retirement annuity policy; or

(iii)

any person who is or was a member of a provident fund and who was 55 years of age or older on 1 March 2021 and is still a member of the same provident fund, or any person who is a member of a provident preservation fund and who was 55 years of age or older on 1 March 2021, unless such person has elected to contribute to this component within 12 months of 1 September 2024, in which case a one-off amount of 10 per cent of the value of the member's vested component as at 31 August 2024 or the last day of the month in which the election was made, or as may be determined by the rules of the fund, limited to R30 000, must be allocated to this component with effect from the last day of the month in which the election was made;

[Definition of “savings component” inserted by s. 1 (1) (zH) of Act No. 12 of 2024 and substituted by s. 1 (1) (zF) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024. Para. (iii) substituted by s. 1 (1) (j) of Act No. 6 of 2025 deemed to have come into operation on 1 September, 2024.]

Wording of Sections

“savings withdrawal benefit” means a portion of the member’s share of the value in a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund that the member has elected to withdraw from the portion of his or her share allocated to the savings component provided by that fund before termination of membership of the fund: Provided that—

(a)

the member’s right is limited to one withdrawal during a year of assessment;

(b)

where a member has multiple contracts in the same fund, one withdrawal during a year of assessment may be made from each of the contracts; and

(c)

the value of each withdrawal, before taking into account any charges or transaction costs, may not be less than R2 000: Provided that where a member terminates their membership in that fund within any year of assessment, such member may be allowed a withdrawal of the total balance in the savings component whether or not such member has made a withdrawal from that fund as contemplated in paragraph (a) or (b) during that same year of assessment;

[Definition of “savings withdrawal benefit” inserted by s. 1 (1) (zH) of Act No. 12 of 2024 and substituted by s. 1 (1) (zG) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024. Para. (c) substituted by s. 1 (1) (m) of Act No. 5 of 2026 with effect from 1 March, 2026 and applicable in respect of years of assessment commencing on or after that date.]

Wording of Sections

“scientific research” . . . . . .

[Definition of “scientific research” deleted by s. 12 (1) (m) of Act No. 45 of 2003.]

Wording of Sections

“Secretary” . . . . . .

[Definition of “Secretary” inserted by s. 4 (e) of Act No. 90 of 1964 and deleted by s. 2 (1) (e) of Act No. 104 of 1980.]

Wording of Sections

“securities lending arrangement” means a “lending arrangement” as defined in the Securities Transfer Tax Act, 2007 (Act No. 25 of 2007);

[Definition of “securities lending arrangement” inserted by s. 12 (1) (n) of Act No. 45 of 2003 and substituted by s. 4 (1) (z) of Act No. 60 of 2008.]

Wording of Sections

“severance benefit” means any amount (other than a lump sum benefit or an amount contemplated in paragraph (d) (ii) or (iii) of the definition of “gross income”) received by or accrued to a person by way of a lump sum from or by arrangement with the person’s employer or an associated institution, as defined in paragraph 1 of the Seventh Schedule, in relation to that employer in respect of the relinquishment, termination, loss, repudiation, cancellation or variation of the person’s office or employment or of the person’s appointment (or right or claim to be appointed) to any office or employment, if—

(a)

such person has attained the age of 55 years;

(b)

such relinquishment, termination, loss, repudiation, cancellation or variation is due to the person becoming permanently incapable of holding the person’s office or employment due to sickness, accident, injury or incapacity through infirmity of mind or body; or

(c)

such termination or loss is due to—

(i)
the person’s employer having ceased to carry on or intending to cease carrying on the trade in respect of which the person was employed or appointed; or
(ii)
the person having become redundant in consequence of a general reduction in personnel or a reduction in personnel of a particular class by the person’s employer,
unless, where the person’s employer is a company, the person at any time held more than five per cent of the issued shares or members’ interest in the company:
[Para. (c) amended by s. 7 (1) (zL) of Act No. 24 of 2011 with effect from 1 April, 2012.]
Wording of Sections
Provided that any such amount which becomes payable in consequence of or following upon the death of a person must be deemed to be an amount which accrued to such person immediately prior to his or her death;
[Definition of “severance benefit” inserted by s. 6 (1) (zF) of Act No. 7 of 2010 and amended by s. 7 (1) (zK) and (zM) of Act No. 24 of 2011 and by s. 1 (1) (n) of Act No. 5 of 2026 with effect from 1 March, 2026 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
“share” means, in relation to any company, any unit into which the proprietary interest in that company is divided;
[Definition of “share” inserted by s. 7 (1) (zN) of Act No. 24 of 2011 and substituted by s. 2 (1) (z) of Act No. 22 of 2012 with effect from 1 January, 2013.]
Wording of Sections
“Share Blocks Control Act” means the Share Blocks Control Act, 1980 (Act No. 59 of 1980);
[Definition of “Share Blocks Control Act” inserted by s. 1 (1) (r) of Act No. 43 of 2014.]
“shareholder” . . . . . .
[Definition of “shareholder” substituted by s. 3 (j) of Act No. 90 of 1962, amended by s. 2 (1) (j) of Act No. 121 of 1984, by s. 6 (1) (r) of Act No. 74 of 2002, by s. 12 (1) (o) of Act No. 45 of 2003, by s. 3 (1) (r) of Act No. 20 of 2006, by s. 3 (1) (k) of Act No. 8 of 2007, by s. 6 (1) (zG) of Act No. 7 of 2010 and deleted by s. 7 (1) (zO) of Act No. 24 of 2011 with effect from 1 April, 2012.]
Wording of Sections
“Short-term Insurance Act” means the Short-term Insurance Act, 1998 (Act No. 53 of 1998);
[Definition of “Short-term Insurance Act” inserted by s. 4 (1) (zZf) of Act No. 31 of 2013.]
“small business funding entity” means any entity, approved by the Commissioner in terms of section 30C;
[Definition of “small business funding entity” inserted by s. 1 (1) (s) of Act No. 43 of 2014 with effect from 1 March, 2015.]
“small, medium or micro-sized enterprise” means any—
(a)
person that qualifies as a micro business as defined in paragraph 1 of the Sixth Schedule; or
(b)
any person that is a small business corporation as defined in section 12E (4);
[Definition of “small, medium or micro-sized enterprise” inserted by s. 1 (1) (s) of Act No. 43 of 2014 with effect from 1 March, 2015.]
“South African company” . . . . . .
[Definition of “South African company” inserted by s. 4 (1) (w) of Act No. 85 of 1974, substituted by s. 4 (b) of Act No. 103 of 1976, by s. 2 (1) (d) of Act No. 96 of 1985 and by s. 2 (d) of Act No. 36 of 1996 and deleted by s. 2 (i) of Act No. 59 of 2000.]
Wording of Sections
“South African Reserve Bank” means the central bank of the Republic regulated in terms of the South African Reserve Bank Act, 1989 (Act No. 90 of 1989);
[Definition of “South African Reserve Bank” inserted by s. 4 (1) (zZg) of Act No. 31 of 2013.]

“South African Revenue Service” means the South African Revenue Service established by section 2 of the South African Revenue Service Act, 1997;
[Definition of “South African Revenue Service” inserted by s. 34 (1) of Act No. 34 of 1997, deleted by s. 3 (1) (k) of Act No. 32 of 2005 (English only) and inserted by s. 3 (1) (k) of Act No. 32 of 2005 (English only).]
Wording of Sections
“special trust” means a trust created—
(a)
solely for the benefit of one or more persons who is or are persons with a disability as defined in section 6B (1) where such disability incapacitates such person or persons from earning sufficient income for their maintenance, or from managing their own financial affairs: Provided that—
(aa)
such trust shall be deemed not to be a special trust in respect of years of assessment ending on or after the date on which all such persons are deceased; and
(bb)
where such trust is created for the benefit of more than one person, all persons for whose benefit the trust is created must be relatives in relation to each other; or
[Para. (a) amended by s. 3 (1) (l) of Act No. 8 of 2007, substituted by s. 2 (1) (zA) of Act No. 22 of 2012 and amended by s. 4 (1) (zZh) of Act No. 31 of 2013 with effect from 1 March, 2014 and applicable in respect of years of assessment commencing on or after that date.]
Wording of Sections
(b)
by or in terms of the will of a deceased person, solely for the benefit of beneficiaries who are relatives in relation to that deceased person and who are alive on the date of death of that deceased person (including any beneficiary who has been conceived but not yet born on that date), where the youngest of those beneficiaries is on the last day of the year of assessment of that trust under the age of 18 years;
[Definition of “special trust” inserted by s. 5 (i) of Act No. 5 of 2001 and substituted by s. 9 (b) of Act No. 30 of 2002. Para. (b) substituted by s. 2 (1) (zA) of Act No. 22 of 2012 deemed to have come into operation as from the commencement of years of assessment commencing on or after 1 March, 2012.]
Wording of Sections
“specified date”, in relation to any company, means—
(a)
in respect of the year of assessment ending the thirtieth day of June, 1962, that date or, if such company’s return is under the proviso to subsection (13) of section sixty-six accepted in respect of a period ending upon some other date, such other date; or
(b)
in respect of any other year of assessment, the last day of such other year of assessment;
[Definition of “specified date” substituted by s. 1 (b) of Act No. 6 of 1963.]
“specified period”, in relation to a year of assessment of any company commencing on or after 1 April 1977, means—
(a)
where such year of assessment is the first financial year of such company, the period commencing on the first day of such year and ending six months after the specified date in respect of such year; and
(b)
where such year of assessment is a subsequent financial year of such company, the period commencing the day after the end of the specified period in respect of the immediately preceding year of assessment and ending six months after the specified date in respect of the year of assessment in question:
Provided that where by reason of the amalgamation under section 94 of the Co-operative Societies Act, 1939 (Act No. 29 of 1939), of two or more agricultural co-operatives (as defined

in section 27 (9) of this Act), the assets and liabilities of such co-operatives have vested in a new agricultural co-operative (as so defined), the Commissioner may, having regard to the circumstances of the case, direct that the specified period of each of the co-operatives which have so amalgamated, as applicable in relation to the final year of assessment of the co-operative in question be extended so as to end on such day as the Commissioner may determine;
[Definition of "specified period" inserted by s. 4 (1) (d) of Act No. 113 of 1977 and substituted by s. 3 (1) (e) of Act No. 104 of 1979.]
Wording of Sections
"spot rate" means the appropriate quoted exchange rate at a specific time by any authorised dealer in foreign exchange for the delivery of currency;
[Definition of "spot rate" inserted by s. 3 (1) (l) of Act No. 32 of 2005 deemed to have come into operation on 8 November, 2005 and applicable in respect of years of assessment ending on or after that date.]
"spouse", in relation to any person, means a person who is the partner of such person—
(a)
in a marriage or customary union recognised in terms of the laws of the Republic;
(b)
in a union recognised as a marriage in accordance with the tenets of any religion; or
(c)
in a same-sex or heterosexual union which is intended to be permanent,
[Para. (c) substituted by s. 3 (1) (zE) of Act No. 25 of 2015.]
Wording of Sections
and "married", "husband" or "wife" shall be construed accordingly: Provided that a marriage or union contemplated in paragraph (b) or (c) shall, in the absence of proof to the contrary, be deemed to be a marriage or union out of community of property;
[Definition of "spouse" inserted by s. 5 (j) of Act No. 5 of 2001 and amended
by s. 2 (1) (zB) of Act No. 22 of 2012 deemed to have come into operation as from the commencement of years of assessment commencing on or after 1 March, 2012.]
Wording of Sections
"tax" means tax or a penalty imposed in terms of this Act;
[Definition of "tax" (previously definition of "tax" or "the tax" or "taxation") amended by s. 1 (c) of Act No. 6 of 1963 and substituted by s. 19 (1) (m) of Act No. 30 of 1998;
by s. 2 (1) (zG) of Act No. 3 of 2008, by s. 4 (1) (zA) of Act No. 60 of 2008 and by s. 271 read with para. 23 (k) of Sch. 1 of Act No. 28 of 2011.]
Wording of Sections
"Tax Administration Act" means the Tax Administration Act, 2011 (Act No. 28 of 2011);
[Definition of "Tax Administration Act" inserted by s. 271 read with para. 23 (l) of Sch. 1 of Act No. 28 of 2011 and substituted by s. 4 (1) (zZi) of Act No. 31 of 2013.]
Wording of Sections
"tax benefit" includes any avoidance, postponement or reduction of any liability for tax;
[Definition of "tax benefit" inserted by s. 6 (1) (zH) of Act No. 7 of 2010.]
"taxable amount" . . . . . .
[Definition of "taxable amount" inserted by s. 4 (1) (f) of Act No. 88 of 1971 and deleted by s. 2 (1) (f) of Act No. 104 of 1980.]
Wording of Sections
"taxable capital gain" means an amount determined in terms of paragraph 10 of the Eighth Schedule;
[Definition of "taxable capital gain" inserted by s. 5 (k) of Act No. 5 of 2001.]
"taxable income" means the aggregate of—
(a)
the amount remaining after deducting from the income of any person all the amounts allowed under Part I of Chapter II to be deducted from or set off against such income; and
(b)

all amounts to be included or deemed to be included in the taxable income of any person in terms of this Act;
[Definition of “taxable income” substituted by s. 4 (1) (g) of Act No. 88 of 1971, by s. 2 (1) (g) of Act No. 104 of 1980 and by s. 5 (l) of Act No. 5 of 2001.]
Wording of Sections
“taxpayer” means any person chargeable with any tax leviable under this Act;
[Definition of “taxpayer” amended by s. 1 (d) of Act No. 6 of 1963 and substituted by s. 19 (1) (n) of Act No. 30 of 1998, by s. 6 (1) (s) of Act No. 74 of 2002 and by s. 271 read with para. 23 (m) of Sch. 1 of Act No. 28 of 2011.]
Wording of Sections
“territory” . . . . . .
[Definition of “territory” inserted by s. 6 (1) (h) of Act No. 89 of 1969, substituted by s. 2 (h) of Act No. 141 of 1992 and deleted by s. 2 (j) of Act No. 59 of 2000.]
Wording of Sections
“this Act” includes the regulations;
“total retirement contribution” means any amount contributed to any pension fund, provident fund or retirement annuity fund in terms of the rules of that fund on or after 1 September 2024 by a person who is a member of that fund or any other person on behalf of that member, excluding any charges or premiums thereon;
[Definition of “total retirement contribution” inserted by s. 1 (1) (zI) of Act No. 12 of 2024 with effect from 1 September, 2024 (Editorial Note: effective date in s. 1 (2) of Act No. 12 of 2024 as substituted by s. 2 of Act No. 6 of 2025).]
Wording of Sections
“trade” includes every profession, trade, business, employment, calling, occupation or venture, including the letting of any property and the use of or the grant of permission to use any patent as defined in the Patents Act or any design as defined in the Designs Act or any trade mark as defined in the Trade Marks Act or any copyright as defined in the Copyright Act or any other property which is of a similar nature;
[Definition of “trade” substituted by s. 6 (1) (i) of Act No. 89 of 1969, by s. 2 (1) (d) of Act No. 129 of 1991, by s. 10 (1) (k) of Act No. 53 of 1999 and by s. 4 (1) (zZj) of Act No. 31 of 2013.]
Wording of Sections
“Trade Marks Act” means the Trade Marks Act, 1993 (Act No. 194 of 1993);
[Definition of “Trade Marks Act” inserted by s. 4 (1) (zZk) of Act No. 31 of 2013.]
“trading stock”—
(a)
includes—
(i)
anything produced, manufactured, constructed, assembled, purchased or in any other manner acquired by a taxpayer for the purposes of manufacture, sale or exchange by the taxpayer or on behalf of the taxpayer;
(ii)
anything the proceeds from the disposal of which forms or will form part of the taxpayer’s gross income, otherwise than—
(aa)
in terms of paragraph (j) or (m) of the definition of “gross income”;
(bb)
in terms of paragraph 14 (1) of the First Schedule; or
(cc)
as a recovery or recoupment contemplated in section 8 (4) which is included in gross income in terms of paragraph (n) of the definition of “gross income”; or
(iii)
any consumable stores and spare parts acquired by the taxpayer to be used or consumed in the course of the taxpayer’s trade; but
(b)

does not include—
(i)
a foreign currency option contract; or
(ii)
a forward exchange contract,
as defined in section 24I (1);
[Definition of "trading stock" substituted by s. 2 (1) (e) of Act No. 101 of 1990, by s. 2 (1) (m) of Act No. 113 of 1993 and by s. 13 (1) (k) of Act No. 30 of 2000, amended by s. 17 (1) (e) of Act No. 60 of 2001, by s. 6 (1) (t) of Act No. 74 of 2002 and substituted by s. 6 (1) (zI) of Act No. 7 of 2010 with effect from the date of promulgation of that Act, 2 November, 2010 and applicable in respect of years of assessment ending on or after that date.]
Wording of Sections
"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;
[Definition of "trust" inserted by s. 2 (i) of Act No. 141 of 1992 and substituted by s. 1 (1) (k) of Act No. 42 of 2024.]
Wording of Sections
"trustee", in addition to every person appointed or constituted as such by act of parties, by will, by order or declaration of court or by operation of law, includes an executor or administrator, tutor or curator, and any person having the administration or control of any property subject to a trust, usufruct, fideicommissum or other limited interest or acting in any fiduciary capacity or having, either in a private or in an official capacity, the possession, direction, control or management of any property of any person under legal disability;
"Value-Added Tax Act" means the Value-Added Tax Act, 1991 (Act No. 89 of 1991);
[Definition of "Value-Added Tax Act" inserted by s. 4 (1) (zZI) of Act No. 31 of 2013.]
"vested component" means a component established in terms of the rules of a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund for a person who is a member of that fund: Provided that the rules of the fund provide that —
(a)
the member's interest in this component, after taking into account the allocation of the amount contemplated in paragraph (a) of the definition of "savings component", is subject to and must be paid in accordance with the rules of the fund that exist immediately prior to 1 September 2024;
(b)
no contributions may be made to this component on or after 1 September 2024, except in the case of a person who was a member of a provident fund and is still a member of the same provident fund and who was 55 years of age or older on 1 March 2021: Provided that where the above-mentioned member has elected to make contributions to the savings component and the retirement component on or after 1 September 2024, that member may not be allowed to make contributions to this component from the month following the effective date of election;
(c)
the member may, in accordance with the rules of the fund that exist immediately prior to 1 September 2024, elect to transfer the value of this component into the member's vested component of another pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund on termination of membership of the fund;
(d)

the member may elect to transfer the value of this component into the member's retirement component of another pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund on termination of membership of the fund; and
(e)
the member may elect to transfer the value of this component into the member's retirement component of the same pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund of which he or she is a member;
[Definition of "vested component" inserted by s. 1 (1) (zJ) of Act No. 12 of 2024 and substituted by s. 1 (1) (zH) of Act No. 44 of 2024 deemed to have come into operation on 1 September, 2024.]
Wording of Sections
"water services provider" means a person who provides water supply services and sanitation services and who is—
(a)
a public entity regulated under the Public Finance Management Act;
[Para. (a) substituted by s. 4 (1) (zZm) of Act No. 31 of 2013.]
Wording of Sections
(b)
a wholly owned subsidiary or entity of a public entity contemplated in paragraph (a) if the operations of the subsidiary or entity are ancillary or complementary to the operations of that public entity;
[Para. (b) substituted by s. 3 (1) (m) of Act No. 8 of 2007 deemed to have come into operation on 1 January, 2007 and applicable in respect of any year of assessment ending on or after that date (English only).]
Wording of Sections
(c)
a company as contemplated in paragraph (a) of the definition of "company", which is wholly owned by one or more municipalities; or
(d)
a board or institution which has powers similar to a water board established in terms of the Water Services Act, 1997 (Act No. 108 of 1997), and would have fallen within the ambit of the definition of "local authority" prior to the coming into operation of section 3 (1) (h) of the Revenue Laws Amendment Act, 2006;
[Definition of "water services provider" inserted by s. 3 (1) (s) of Act No. 20 of 2006.]
"withdrawal interest" means the value of the member's share of the pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund value, as determined in terms of the rules of the fund on the date on which the member elects to withdraw due to an event other than the member attaining normal retirement age;
[Definition of "withdrawal interest" inserted by s. 2 (1) (zH) of Act No. 3 of 2008 and substituted by s. 2 (1) (h) of Act No. 34 of 2019 deemed to have come into operation on 1 March, 2019.]
Wording of Sections
"year of assessment" means any year or other period in respect of which any tax or duty leviable under this Act is chargeable, and any reference in this Act to any year of assessment ending the last or the twenty-eighth or the twenty-ninth day of February shall, unless the context otherwise indicates, in the case of a company or a portfolio of a collective investment scheme in securities be construed as a reference to any financial year of that company or portfolio ending during the calendar year in question.
[Sub-s. (1) (previously s. 1) renumbered by s. 271 read with para. 23 (n) of Sch. 1 of Act No. 28 of 2011. Definition of "year of assessment" substituted by s. 1 (e) of Act No. 6 of 1963, amended by s. 4 (f) of Act No. 72 of 1963 and substituted by s. 4 (f) of Act No. 90 of 1964, by s. 9 (c) of Act No. 30 of 2002 and by s. 7 (1) (zG) of Act No. 17 of 2009 with effect from the commencement of years of assessment commencing on or after 1 January, 2010.]
Wording of Sections

(2) Unless the context indicates otherwise, a word or expression to which a meaning has been assigned in the Tax Administration Act bears that meaning for purposes of this Act.
[Sub-s. (2) inserted by s. 271 read with para. 23 (o) of Sch. 1 of Act No. 28 of 2011.]

CHAPTER I
ADMINISTRATION