

NO. 21 OF 1995: INCOME TAX ACT, 1995

Special provisions to apply to former Republics of Transkei, Bophuthatswana, Venda and Ciskei in respect of certain provisions of principal Act

56. (1) Any fund which prior to the date of promulgation of this Act was approved as a benefit fund, pension fund, provident fund or retirement annuity fund for the purposes of the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Transkei, the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Bophuthatswana, the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Venda or the Income Tax Act, 1984 (Act No. 44 of 1984), of the former Republic of Ciskei, but not for purposes of the principal Act, shall for the purposes of the principal Act be deemed to have been approved as a benefit fund, pension fund, provident fund or retirement annuity fund, as the case may be, in respect of years of assessment ending on or before 28 February 1997, if the rules of such fund are submitted to the Commissioner for Inland Revenue by 29 February 1996: Provided that the said Commissioner may, if he is satisfied that any such fund should not be so approved in respect of any such year, determine that the provisions of this section shall not apply to such fund in respect of such year, any such determination of the said Commissioner being subject to objection and appeal.

(2) For the purposes of the principal Act any superannuation, pension, provident or dependants' fund or pension scheme established by a law of the territories of the former Republics of Transkei, Bophuthatswana, Venda and Ciskei or any such fund so established for the benefit of the employees of any local authority of the territories of the said former Republics shall be deemed to have been established by law in the Republic.

Application of the principal Act

57. (1) The provisions of the principal Act, excluding Part III of Chapter II, as well as any regulation, Proclamation or Government Notice made or issued under the provisions thereof, shall, subject to the provisions of subsections (2) and (3), be

applicable in the territories of the former Republics of Transkei, Bophuthatswana and Ciskei-

(a) in so far as Part VI of Chapter II of such Act is so applicable, from any calendar quarter ending on or after 30 September 1995;

(b) in so far as Part VII of Chapter II of such Act is so applicable, to any dividend declared during a year of assessment commencing after 1 April 1995;

(c) in so far as any other provision of such Act or any provision of any such regulation, Proclamation or Government Notice so applicable, relates to a year of assessment

(i) of a person other than a company, from the commencement of years of assessment ending on or after 29 February 1996; or

(ii) of a company, from the commencement of years of assessment ending on or after 1 April 1995; or

(d) in any other case, from 1 March 1995.

(2)(a) In so far as the principal Act is applicable in terms of subsection (1), the laws of the territories of any of the former Republics of Transkei, Bophuthatswana and Ciskei, which impose a tax similar to a tax imposed in terms of the principal Act, shall not be applicable.

(b) In so far as the laws of any of the former Republics of Transkei, Bophuthatswana and Ciskei impose a tax which is not similar to a tax imposed in terms of the principal Act, such laws shall no longer be applicable in respect of the territory of-

(i) the former Republic of Transkei, to

(aa) any undistributed profits tax payable in terms of section 48 of

the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Transkei, in respect of years of assessment ending after 1 April 1995;

(bb) any non-residents tax on interest payable in terms of section 64A of the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Transkei, in respect of interest accrued during years of assessment ending after 1 April 1995;

(cc) any special tax payable in terms of section 6B, any local tax payable in terms of section 7, any general stock tax payable in terms of section 7A or any general levy payable in terms of section 7B of the Transkei Taxation Act, 1969 (Act No. 8 of 1969), of the former Republic of Transkei, in respect of years of assessment ending after 1 April 1995;

and

(dd) any tax on investment income payable in terms of section 6C of the Transkei Taxation Act, 1969 (Act No. 8 of 1969), of the former Republic of Transkei, in respect of interest paid or dividends declared during years of assessment ending after 1 April 1995;

(ii) the former Republic of Bophuthatswana, to-

(aa) any non-residents tax on rentals payable in terms of section 48 of the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Bophuthatswana, in respect of any rental received or accrued during years of assessment ending after 1 April 1995;

(bb) any management fees tax payable in terms of section 64G of the

Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Bophuthatswana, in respect of any management fees derived during years of assessment ending after 1 April 1995;

(cc) any non-resident partnership profits tax payable in terms of section 641 of the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Bophuthatswana, in respect of any profits accrued during years of assessment ending after 1 April 1995; and

(dd) any withholding tax on fees paid to non-residents payable in terms of section 64J of the Income Tax Act, 1962 (Act No. 58 of 1962), of the former Republic of Bophuthatswana, in respect of any fees derived during years of assessment ending after 1 April 1995; and

(iii) the former Republic of Ciskei, to any withholding tax payable in terms of section 13(c), (d), (e) or (f) of the Income Tax Act, 1984 (Act No. 44 of 1984), of the former Republic of Ciskei, in respect of any amount paid or payable during years of assessment ending after 1 April 1995.

(3) Any law referred to in the principal Act which is not yet applicable in the territories of the former Republics of Transkei, Bophuthatswana and Ciskei, shall for the purposes of the principal Act be deemed to be applicable in such territories.