

REPUBLIC OF SOUTH AFRICA

**DRAFT INCOME TAX
AMENDMENT BILL**

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

(MINISTER OF FINANCE)

30 July 2019

GENERAL EXPLANATORY NOTE:

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

To amend the Income Tax Act, 1962, so as to amend a date in a provision; to repeal certain provisions; and to provide for matters connected therewith.

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

Repeal of section 12K of Act 58 of 1962

1. (1) Section 12K of the Income Tax Act, 1962, (hereinafter referred to as the “principal Act”) is hereby repealed.

(2) Subsection (1) is deemed to have come into operation on 1 June 2019.

Amendment of section 12L of Act 58 of 1962, as substituted by section 29 of Act 22 of 2012 and amended by section 38 of Act 31 of 2013 and section 24 of Act 25 of 2015

2. (1) Section 12L of the principal Act, is hereby amended by the substitution for subsection (1) of the following subsection:

“(1) For the purpose of determining the taxable income derived by any person from carrying on any trade in respect of any year of assessment ending before 1 January ~~[2020]~~ 2023, there must be allowed as a deduction from the income of that person an amount in respect of energy efficiency savings by that person in respect of

that year of assessment determined in accordance with subsection (2), subject to subsection (3).”.

(2) Subsection (1) comes into operation on 1 January 2020.

Short title

3. This Act is called the Income Tax Amendment Act, 2019.