

INTERPRETATION NOTE 68 (Issue 3)

DATE: 8 December 2020

ACT : TAX ADMINISTRATION ACT 28 OF 2011
SECTION : CHAPTER 12 AND SCHEDULE 1
SUBJECT : PROVISIONS OF THE TAX ADMINISTRATION ACT THAT DID NOT COMMENCE ON 1 OCTOBER 2012 UNDER PROCLAMATION 51 IN GOVERNMENT GAZETTE 35687

Preamble

In this Note unless the context indicates otherwise –

- “**Chapter**” means a Chapter of the TA Act;
- “**Minister**” means the Minister of Finance;
- “**MPRRA Act**” means the Mineral and Petroleum Resources Royalty (Administration) Act 29 of 2008;
- “**paragraph**” means a paragraph of Schedule 1;
- “**Proclamation**” means Proclamation 51 in *Government Gazette* 35687 of 14 September 2012;
- “**royalty assessment**” means an assessment under the MPRRA Act;
- “**Schedule 1**” means Schedule 1 to the TA Act;
- “**section**” means a section of the TA Act;
- “**TA Act**” means the Tax Administration Act 28 of 2011; and
- any other word or expression bears the meaning ascribed to it in the TA Act.

1. Purpose

The TA Act came into operation on 1 October 2012, except for certain provisions relating to interest. This Note identifies those interest provisions that have come into operation and those that have not yet come into operation.

It reflects the relevant legislation at the date of publication and considers the various amendments effected since the introduction of the TA Act.

2. Background

Under section 272 the President must by proclamation in the *Government Gazette* determine the date on which the TA Act comes into operation and may determine different effective dates for different provisions.

The Proclamation (**Annexure A**) was published on 14 September 2012 and provided that the TA Act came into operation on 1 October 2012 **except** for –

- sections 187(2), (3)(a) to (e) and (4), 188(2) and (3), and 189(2) and (5); and
- any provision of Schedule 1 that amended or repealed a provision of a tax Act relating to interest under that tax Act, to the extent of that amendment or repeal.

Other than those provisions contained in Schedule 1, the provisions that have not commenced form part of Chapter 12, which introduced a new regime for the purposes of interest on tax debts and refunds, and comprise –

- section 187 – general interest rules;
- section 188 – period over which interest accrues; and
- section 189 – rate at which interest is charged.

Schedule 1 sets out the provisions of various Acts administered by SARS that have been amended or repealed by the TA Act. The Acts affected and the paragraphs that apply include the following:

- Diamond Export Levy (Administration) Act 14 of 2007 (paragraphs 167 to 171)
- Estate Duty Act 45 of 1955 (paragraphs 12 to 22)
- Income Tax Act 58 of 1962 (paragraphs 23 to 106)
- MPRRA Act (paragraphs 183 to 192)
- Securities Transfer Tax Administration Act 26 of 2007 (paragraphs 172 to 179)
- South African Revenue Service Act 34 of 1997 (paragraph 147)
- Skills Development Levies Act 9 of 1999 (paragraphs 148 to 156)
- Transfer Duty Act 40 of 1949 (paragraphs 1 to 11)
- Unemployment Insurance Contributions Act 4 of 2002 (paragraphs 157 to 166)
- Value-Added Tax Act 89 of 1991 (paragraphs 107 to 146)
- A number of amending Acts (paragraphs 180 to 182 and 193 to 196)

Since the new interest regime under Chapter 12 necessitates substantial changes to SARS's existing systems which have not been finalised, the Proclamation maintained the interest regime before the promulgation of the TA Act by excepting from coming into operation most of Chapter 12 and the provisions of Schedule 1 amending or repealing sections of the other tax Acts relating to interest.

Consequently, barring subsequent amendments, these sections remain in force as they read before their amendment or repeal by Schedule 1 until the commencement of the entire TA Act. In order to facilitate the eventual commencement of the new regime, section 272 additionally provides that the Minister may by public notice determine the dates on which Chapter 12 and the provisions relating to interest in Schedule 1 come into operation per tax type.

3. The law

The provisions of the TA Act relating to the accrual of interest are predominantly contained in Chapter 12 and Schedule 1. **Annexure B** sets out a description of the provisions of Schedule 1 that have not commenced or have commenced except to the extent that they relate to interest and provides information regarding the effect that these provisions have on the various sections of the tax Acts that are affected.

4. Application of the law

4.1 Provisions of the Tax Administration Act relating to the accrual of interest that commenced on or after 1 October 2012

Since each Act governing a tax type, along with their administration Act if applicable, is the primary legislative authority for both the charging and administration of a specific tax, the sections of the other tax Acts discussed in **Annexure B** supersede the interest provisions in the TA Act that have commenced.

The ones that have commenced do, however, find application in relation to tax debts that arise as a result of understatement penalties, refunds not properly payable under section 190(5), and jeopardy assessments because tax debts that arise as a result of these, are not regulated under any of the other tax Acts, and, as discussed below, the sections that have commenced make the imposition of interest under the TA Act possible.

Additionally, amendments to the MPRRA Act, repealed the deletion of section 16 of that Act in Schedule 1, and amended this section to make interest payable in accordance with Chapter 12 for years of royalty assessment commencing on or after 1 January 2017.¹ Chapter 12 is therefore fully operational in relation to these and subsequent royalty assessments.

Under section 187(1), if a tax debt or refund is not paid in full by the “effective date”, interest accrues and is payable on the outstanding balance at the rate provided under section 189 and for the period provided under section 188. The term “effective date” is defined in section 1 to mean the date described in section 187(3), (4), and (5) or the date from when interest is otherwise calculated under a tax Act. The effective date for purposes of the calculation of interest on –

- mineral and petroleum resource royalty, is the date by which tax for the tax period is finally due and payable under the tax Act;²
- refunds not properly payable, is the date of payment of the refund referred to in section 190(5);³ and
- jeopardy assessments, is the date for payment specified in the jeopardy assessment.⁴

¹ Section 44 read with section 65 of the Tax Administration Laws Amendment Act 16 of 2016.

² Section 16 of the MPRRA Act read with section 187(3)(a) of the TA Act for years of royalty assessment commencing on or after 1 January 2017.

³ Section 187(3)(g), which came into operation on 8 January 2016, the date of promulgation of the Tax Administration Laws Amendment Act 23 of 2015.

⁴ Section 187(5) which came into operation on 1 October 2012 with the rest of the TA Act.

With regard to understatement penalties, when the whole of Chapter 12 and Schedule 1 come into operation, the effective date for interest on these penalties imposed on tax understated from 1 October 2012, will be the effective date for the tax understated,⁵ and imposed on tax understated before 1 October 2012, will be 1 October 2012.⁶ In the meantime, interest on such penalties must be calculated in the manner that interest on additional tax penalties before its repeal, was calculated under the applicable sections governing interest under the relevant tax Acts.⁷

With regard to the calculation of interest on royalty assessments, refunds not properly payable, and jeopardy assessments, interest accrues –

- from the effective date of the tax to the date the tax is paid;⁸ and
- at the prescribed rate, namely, the interest rate that the Minister may from time to time fix by notice in the *Gazette* under section 80(1)(b) of the Public Finance Management Act 1 of 1999.⁹ The new rate will come into operation on the first day of the second month following the month in which the new rate becomes effective for purposes of the Public Finance Management Act.¹⁰

With regard to remittal of interest, if a senior SARS official is satisfied that interest payable by a taxpayer under section 187(1) is payable as a result of circumstances beyond the taxpayer's control, the official may, unless prohibited by a tax Act, direct that the interest attributable to these circumstances, not be payable by the taxpayer. The circumstances are limited to a natural or human-made disaster, a civil disturbance, disruption in services, or a serious illness or accident.¹¹ Since section 187(6) refers to interest imposed under section 187(1), the remittal presently applies only to interest payable in respect of royalty assessments, refunds not properly payable, and jeopardy assessments as set out above. Section 187(8) stipulates that SARS may not remit interest under section 187(6), in the case of an assessment by SARS, after the expiry of three years from the date of assessment of the tax in respect of which the interest accrued, or five years in the case of a self-assessment. The reason for this is that the right to request remittance of interest cannot be open ended or finality will never be achieved.¹²

Although section 187(1) also regulates interest on refunds payable by SARS, since section 188(3) has not yet come into operation other than for royalty assessments, interest under this section does not presently legislatively accrue to any other refunds.

⁵ Section 187(3)(f) which also came into operation on 1 October 2012 with the rest of the TA Act.

⁶ Section 270(6E)(b) which was introduced and deemed to have come into operation on 1 October 2012 by Act 23 of 2015 and amended by Act 13 of 2017.

⁷ Section 270(6E)(a).

⁸ Section 188(1).

⁹ Section 189(1) read with subsection (3).

¹⁰ Section 189(4).

¹¹ Section 187(6) and (7).

¹² Section 187(8) applies from 8 January 2016, namely, the date of promulgation of Act 23 of 2015, which introduced this section.

4.2 Provisions of the Tax Administration Act relating to the accrual of interest that have not commenced

4.2.1 Provisions of Chapter 12

Sections 187(2), (3)(a) to (e) and (4), 188(2) and (3) and 189(2) and (5) have not yet commenced, except for purposes of section 16 of the MPRRA Act.

4.2.2 Provisions of Schedule 1

The fact that the provisions in Schedule 1 amending or repealing sections of tax Acts relating to interest have not commenced means that the affected sections in the tax Acts are still operational. These sections will remain operational until such time as the President determines by proclamation or the Minister by notice when Chapter 12 and the relevant provisions of Schedule 1 come into operation, or when an amendment Act changes this position.

However, these sections do not necessarily remain fully operational as their amendment or repeal must relate to interest and is only suspended “to the extent of that amendment or repeal”, namely, to the extent that the amendment or repeal relates to interest.

Since some of these sections address other matters, the amendment or repeal in the paragraph of Schedule 1 of the parts (including subsections, paragraphs, items, portions of these, or even cross-references) that do not extend to interest did commence, and these parts are no longer operational.

With regard to cross-references that were repealed by Schedule 1, in as far as they do not relate to interest, their amendment or repeal is enacted, and must be read as amended, or if repealed, as a reference to the equivalent re-enacted or existing provision under the TA Act or another tax Act.

Additionally, since the affected sections originate in a tax Act, what remains operational because of the suspended amendment or repeal of a provision of Schedule 1, will only find application to the tax type associated with the tax Act.

Finally, because the definition of “tax” in section 1 includes “interest ... imposed under a tax Act”, the other provisions of the TA Act apply to interest which accrues under the tax Acts, on tax debts and refunds (when applicable), for example:

- Information gathering (Chapter 5)
- Confidentiality of information (Chapter 6)
- Advance rulings (Chapter 7)
- Assessments (Chapter 8)
- Dispute resolution (Chapter 9)
- Tax liability and payment (Chapter 10)
- Recovery of tax (Chapter 11)
- Write-off or compromise of tax debts (Chapter 14)
- Administrative non-compliance penalties (Chapter 15)

- Understatement penalty (Chapter 16)
- Criminal offences (Chapter 17)

Leveraged Legal Products

SOUTH AFRICAN REVENUE SERVICE

Date of 1st issue : 16 November 2012

Date of 2nd issue : 7 February 2013

PROCLAMATION*by the**President of the Republic of South Africa***No. 51, 2012****DETERMINATION OF THE DATES ON WHICH CERTAIN PROVISIONS OF THE TAX
ADMINISTRATION ACT, 2011 (ACT NO. 28 OF 2011) MUST COME INTO OPERATION**

In terms of section 272 of the Tax Administration Act, 2011 (Act No. 28 of 2011), I hereby, determine the dates on which specific provisions of the Act must come into operation, as set out in the Schedule hereto.

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Eighth day of September, Two Thousand and Twelve.

PRESIDENT**By Order of the President-in-Cabinet****MINISTER OF THE CABINET**

SCHEDULE

The Tax Administration Act, 2011 (Act No. 28 of 2011) shall commence on 1 October 2012 except for—

- (a) sections 187(2), (3)(a) to (e) and (4), 188(2) and (3) and 189(2) and (5) of the Act; and
- (b) any provision of Schedule 1 to the Act that amends or repeals a provision of a tax Act relating to interest under that tax Act, to the extent of that amendment or repeal.

Annexure B – Table: Extent to which provisions of Schedule 1, have not commenced

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
Transfer Duty Act 40 of 1949					
1.	Paragraph 3(a)	Section 4 of the Transfer Duty Act is hereby amended by the substitution for the heading of the following heading: “Penalty [and interest] on late payment of duty”	Heading of section 4 of the Transfer Duty Act	<i>No change to current heading of section 4 of the Transfer Duty Act.</i>	Paragraph 3(a) has not commenced as the amendment relates <i>only</i> to interest and the heading of the section prior to the amendment continues to apply.
2.	Paragraph 3(c)	Section 4 of the Transfer Duty Act is hereby amended by the deletion of subsection (1A)	Section 4(1A) of the Transfer Duty Act	<i>Section 4(1A) of the Transfer Duty Act not deleted.</i>	Paragraph 3(c) has not commenced as the deleted section relates <i>only</i> to interest and the section prior to its deletion continues to apply.
3.	Paragraph 11	Sections 17, 17A, 17B, 18, 20, 20A, 20C and 20D of the Transfer Duty Act are hereby repealed	Section 18 of the Transfer Duty Act	<i>Section 18(2)(a) of the Transfer Duty Act not repealed to the extent that it relates to interest and sections 18(5) and (6) of the Transfer Duty Act not repealed</i>	Paragraph 11 partially commenced to the extent that sections 17, 17A, 17B, 18(1), 18(2)(b), 18(3), 18(4), 20, 20A, 20C and 20D of the Transfer Duty Act do not relate to interest and have been repealed. However, section 18(2)(a) makes Part IIIA of Chapter III of the Income Tax Act applicable to transfer duty and this Part includes section 88(5) to (7) of the

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
					Income Tax Act which relates only to interest. Additionally, sections 18(5) and (6) of the Transfer Duty Act relates only to interest. The paragraph has consequently not commenced to the extent that it deletes the reference to interest under the Income Tax Act in the former section and deletes the latter sections and these sections continue to apply.
Estate Duty Act 45 of 1955					
4.	Paragraph 18	Section 10 of the Estate Duty Act is hereby amended by the substitution for subsection (1) of the following subsection: "If [any duty remains unpaid at the expiration of a period of thirty days from the date of payment notified in accordance with subsection (2) of section nine, there shall be payable, in addition to the unpaid duty, interest at the rate of six per cent per annum on the amount of unpaid duty	Section 10(1) of the Estate Duty Act	<i>No change to current wording of section 10 of the Estate Duty Act until its amendment as follows by section 2(a) of the Tax Administration Laws Amendment Act 13 of 2017, pending its substitution by paragraph 18 as amended:</i> <i>"If any duty remains unpaid at the expiration of a period of thirty days from the date [of] for payment [notified in accordance with subsection (2) of section nine] prescribed in terms of section 9C, there shall be</i>	Paragraph 18 read with section 3 of Act 21 of 2012, has not commenced as the amendment relates only to interest and the wording of the section prior to the amendment continued to apply until 14 December 2017 when section 2(a) of Act 13 of 2017 amended the section until the commencement of paragraph 18 as amended.

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<p>calculated from the date of the expiration of the said period to the date of payment: Provided that, where] the assessment of duty is delayed beyond a period of twelve months from the date of death, interest at the <u>prescribed rate [of six per cent per annum]</u> shall be payable as from a date twelve months after the date of death on the difference (if any) between the duty assessed and any deposit (if any) made on account of the duty payable within the said period of twelve months.”</p> <p>Section 10(1) was further amended by section 3(1) of Act 21 of 2012 as follows, its effective date to coincide with that of paragraph 18:</p> <p><i>“[If the assessment of duty is delayed beyond a period of twelve months from the date of death, interest at the prescribed rate shall be] Interest in terms of Chapter 12 of the Tax Administration Act [payable as from a date twelve months after the date of death] must be calculated on the difference (if any)</i></p>		<p><i>payable, in addition to the unpaid duty, interest at the rate of six per cent per annum on the amount of unpaid duty calculated from the date of the expiration of the said period to the date of payment: Provided that, where the assessment of duty is delayed beyond a period of twelve months from the date of death, interest at the rate of six per cent per annum shall be payable as from a date twelve months after the date of death on the difference (if any) between the duty assessed and any deposit (if any) made on account of the duty payable within the said period of twelve months.”</i></p>	

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<i>between the duty assessed and any deposit [(if any)] made on account of the duty [payable within the said period of twelve months].”</i>			
5.	Paragraph 20	Sections 12A, 12B, 23, 23bis, 24, 25, 25A and 27 the Estate Duty Act are hereby repealed	Section 24 of the Estate Duty Act	<i>Section 24(2)(b) of the Estate Duty Act not repealed to the extent that it relates to interest</i>	Paragraph 20 partially commenced to the extent that sections 12A, 12B, 23, 23bis, 24(1), 24(2)(a), 24(3), 25, 25A and 27 of the Estate Duty Act do not relate to interest and have been repealed. However, section 24(2)(b) makes Part IIIA of Chapter III of the Income Tax Act applicable to estate duty and this Part includes section 88(5) to (7) of the Income Tax Act which relates <i>only</i> to interest. The paragraph has consequently not commenced to the extent that that it deletes this reference, which continues to apply.
Income Tax Act 58 of 1962					
6.	Paragraph 23(f) read with (n)	Section 1(1) of the Income Tax Act is hereby amended by the substitution for the definition of	Definition of “prescribed rate” in	<i>No changes to current definition of “prescribed rate” in section 1(1) of the Income Tax Act.</i>	Paragraph 23(f) has not commenced as the amendment relates <i>only</i> to

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<p>“prescribed rate” of the following definition:</p> <p>“‘prescribed rate’ means the <u>rate contemplated in section 189(3) of the Tax Administration Act;</u>”</p>	section 1(1) of the Income Tax Act		interest and the definition of “prescribed rate” in section 1(1) of the Income Tax Act prior to the amendment continues to apply.
7.	Paragraph 43(c)	<p>Section 35A of the Income Tax Act is hereby amended by the substitution for subsection (9) of the following subsection:</p> <p>“If a purchaser fails to pay any amount contemplated in subsection (1) to the Commissioner within the period allowed for payment in terms of subsection (4), that purchaser[—</p> <p>(a) is liable for interest at the prescribed rate on any amount outstanding calculated from the day following the last date for payment to the date that the amount is received by the Commissioner; and</p> <p>(b)] must pay a penalty equal to ten per cent of [that] the amount, in addition to any other penalty or charge for</p>	Section 35A(9) of the Income Tax Act	<i>No change to current wording of section 35A(9) of the Income Tax Act to the extent that it relates to interest.</i>	Although not material, paragraph 43(c) partially commenced to the extent that the amendment relates to the penalty. It has not commenced to the extent that the wording of the section prior to the amendment relates to interest and this wording continues to apply.

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		which he or she may be liable under this Act.			
8.	Paragraph 49	Sections 47H and 47I of the Income Tax Act are hereby repealed	Sections 47I of the Income Tax Act	<i>Section 47I of the Income Tax Act not repealed to the extent that it relates to interest</i>	Paragraph 49 partially commenced to the extent that section 47H of the Income Tax Act does not relate to interest and has been repealed. However, section 47I of the Income Tax Act makes Chapter III of the Income Tax Act applicable to tax on foreign entertainers and sportspersons and this Chapter includes sections 88(5) to (7) of the Income Tax Act which relates only to interest. The paragraph has consequently not commenced to the extent that that it deletes this reference, which continues to apply.
9.	Paragraph 55	Section 64K of the Income Tax Act is hereby amended by the deletion of subsections (3), (5), (6), (7) and (8)	Section 64K(6) of the Income Tax Act	<i>Section 64K(6) of the Income Tax Act not deleted.</i>	Paragraph 55 partially commenced to the extent that sections 64K(3), (5), (7) and (8) of the Income Tax Act do not relate to interest and have been deleted. It has not commenced to the extent

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
					that it deletes section 64K(6) of the Income Tax Act which relates <i>only</i> to interest and continues to apply.
10.	Paragraph 66	Sections 80K, 80M, 80N, 80O, 80P, 80Q, 80R, 80S, 80T, 81, 82, 83, 83A, 84, 85, 86A, 87, 88, 88A, 88B, 88C, 88D, 88E, 88F, 88G, 88H, 89, 89bis, 89ter, 89quat, 89quin, 89sex and 89sept of the Income Tax Act are hereby repealed	Sections 80K, 88(5), 88(6), 88(7), 89(2), 89bis(2), 89quat, and 89quin of the Income Tax Act	<p><i>Sections 80K, 88(5), 88(6), 88(7), 89(2), 89bis(2), and 89quin of the Income Tax Act are not repealed. Section 89quat not repealed but amended as follows by section 3 of the Tax Administration Laws Amendment 22 of 2018 pending its repeal by paragraph 66:</i></p> <p>“normal tax” includes any additional amounts payable in terms of section 76 and [paragraphs] paragraph 20 [and 20A] of the Fourth Schedule.”</p>	Paragraph 66 partially commenced to the extent that sections 80M, 80N, 80O, 80P, 80Q, 80R, 80S, 80T, 81, 82, 83, 83A, 84, 85, 86A, 87, 88(1) to (4), 88A, 88B, 88C, 88D, 88E, 88F, 88G, 88H, 89(1), 89bis(1), 89ter, 89sex and 89sept of the Income Tax Act do not relate to interest and have been repealed. It has not commenced to the extent that it repeals sections 80K, 88(5), 88(6), 88(7), 89(2), 89bis(2), 89quat and 89quin of the Income Tax Act which relates <i>only</i> to interest and continue to apply. However, with regard to the definition of “normal tax” in section 89quat of the Income Tax Act, the wording of this definition prior to repeal continued to apply until 16 January

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
					2019 when section 3 of the Tax Administration Laws Amendment Act 22 of 2018 amended the definition, until such time that paragraph 66 commences.
11.	Paragraph 68(b)	Section 91 of the Income Tax Act is hereby amended by the substitution for subsection (5) of the following subsection: “So much of any interest payable in terms of [section eighty-nine] Chapter 12 of the <u>Tax Administration Act</u> as relates to such portion of any tax as is in terms of subsection (4) recoverable from the assets referred to in that subsection may also be recovered from such assets.”	Section 91(5) of the Income Tax Act	<i>No change to the current wording of section 91(5) of the Income Tax Act.</i>	Paragraph 68(b) of the Income Tax Act has not commenced as the amendment relates <i>only</i> to interest and the wording of the section prior to amendment continues to apply.
12.	Paragraph 72(b)	Section 103 of the Income Tax Act is hereby amended by the deletion of subsection (6)	Section 103(6) of the Income Tax Act	<i>Section 103(6) of the Income Tax Act not repealed</i>	Paragraph 72(b) has not commence as the deleted section relates <i>only</i> to interest and continues to apply.
Fourth Schedule to the Income Tax Act (Provisional tax)					

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
13.	Paragraph 93(a)	<p>Paragraph 23A of the Fourth Schedule to the Income Tax Act is hereby amended by the substitution for subparagraph (1) of the following subparagraph:</p> <p>“Any provisional taxpayer may for the purpose of avoiding or reducing his <u>or her</u> liability for any interest which may become payable by him <u>or her</u> in respect of any year of assessment under [section 89quat] Chapter 12 of <u>the Tax Administration Act</u>, elect to make an additional payment of provisional tax in respect of such year.”</p>	Paragraph 23A(1) of the Fourth Schedule to the Income Tax Act	<i>No change to current wording of paragraph 23A(1) of the Fourth Schedule to the Income Tax Act</i>	Paragraph 93(a) has not commenced as the amendment relates <i>only</i> to interest and the wording of the section prior to amendment continues to apply.
14.	Paragraph 93(b)	Paragraph 23A of the Fourth Schedule to the Income Tax Act is hereby amended by the deletion of subparagraph (2)	Paragraph 23A(2) of the Fourth Schedule to the Income Tax Act	<i>Paragraph 23A(2) of the Fourth Schedule to the Income Tax Act not deleted</i>	Paragraph 93(b) has not commenced as the deleted section relates <i>only</i> to interest and continues to apply.

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
Sixth Schedule to the Income Tax Act (Turnover tax payable by micro businesses)					
15.	Paragraph 99(a)	Paragraph 11 of the Sixth Schedule to the Income Tax Act is hereby amended by the deletion of subparagraph (3)	Paragraph 11(3) of the Sixth Schedule to the Income Tax Act	<i>Paragraph 11(3) of the Sixth Schedule to the Income Tax Act not deleted</i>	Paragraph 99(a) has not commenced as the deleted paragraph relates <i>only</i> to interest and continues to apply.
16.	Paragraph 102	Paragraph 15 of the Sixth Schedule to the Income Tax Act is hereby repealed.	Paragraph 15 of the Sixth Schedule to the Income Tax Act	<i>Paragraph 15 of the Sixth Schedule to the Income Tax Act not repealed to the extent that it relates to interest</i>	Paragraph 15 of the Sixth Schedule to the Income Tax Act makes Chapter III of the Income Tax Act applicable to turnover tax and this Chapter includes sections 88(5) to (7) of the Income Tax Act which relates <i>only</i> to interest. Paragraph 102 has consequently not commenced to the extent that that it deletes this reference, which continues to apply.
Value-Added Tax Act 89 of 1991					
17.	Paragraph 108(c) read with (g)	Section 1(1) of the VAT Act is hereby amended by the substitution for the definition of "prescribed rate" of the following definition: <u>"prescribed rate" means the rate contemplated in</u>	Definition of "prescribed rate" in section 1(1) of the VAT Act	<i>No change to the current definition of "prescribed rate" in section 1(1) of the VAT Act</i>	Paragraph 108(c) has not commenced as the amendment relates <i>only</i> to interest and the definition of "prescribed rate" prior to amendment continues to apply.

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		section 189(3) of the Tax Administration Act;			
18.	Paragraph 127	Sections 33, 33A, 34, 35, 36 and 37 of the VAT Act are hereby repealed	Section 36(5) and (6) of the VAT Act	<i>Section 36(5) and (6) not repealed of the VAT Act</i>	Paragraph 127 partially commenced to the extent that sections 33, 33A, 34, 35, 36(1) to (4) and 37 of the VAT Act do not relate to interest and have been repealed. It has not commenced to the extent that it repeals section 36(5) and (6) of the VAT Act which relates <i>only</i> to interest and continue to apply.
19.	Paragraph 128(a)	Section 39 of the VAT Act is hereby amended by the substitution for the heading of the following heading: “Penalty [and interest] for failure to pay tax when due”	Heading of section 39 of the VAT Act	<i>No change to current heading of section 39 of the VAT Act.</i>	Paragraph 128(a) has not commenced as the amendment relates <i>only</i> to interest and the heading of the section prior to amendment continues to apply.
20.	Paragraph 128(b)	Section 39 of the VAT Act is hereby amended by the substitution for subsection (1) of the following subsection: “[(a)] If any person who is liable for the payment of tax and is required to make such payment [in the manner prescribed in] <u>in</u>	Section 39(1) of the VAT Act	<i>No change to current wording of section 39(1) of the VAT Act to the extent that it relates to interest.</i>	Paragraph 128(b) partially commenced to the extent that the amendment relates to penalties. The section now provides for the imposition of penalties on taxes payable in terms of sections 14, 28(1) and 29 of the VAT Act in

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<p><u>accordance with the provisions of section 14, 28(1) or 29, fails to pay any amount of such tax within the period for the payment of such tax specified in the said [provision he shall] provisions, the Commissioner must, in [addition to such amount of tax, pay] accordance with Chapter 15 of the Tax Administration Act, impose[—</u></p> <p>(i)] a penalty equal to 10 per cent of the said amount of tax[; and</p> <p>(ii) where payment of the said amount of tax is made on or after the first day of the month following the month during which the period allowed for payment of the tax ended, interest on the said amount of tax, calculated at the prescribed rate (but subject to the provisions of section 45A) for each</p>			<p>accordance with the TA Act. The paragraph has not commenced to the extent that the wording of the section prior to amendment relates to interest on the late payment of taxes under section 28(1) of the VAT Act, which wording continues to apply. Additionally, as they do not relate to interest, section 16(5) of the VAT Act must be read as amended and section 44(1) and (6) of the VAT Act as references to sections 190 and 191 of the TA Act respectively.</p>

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<p>month or part of a month in the period reckoned from the said first day.</p> <p>(b) Where any amount of tax has in relation to any tax period of any vendor been refunded to the vendor in terms of the provisions of section 44(1), read with section 16(5), or has in relation to that period been set off against unpaid tax in terms of the provisions of section 44(6), and such amount was in whole or in part not properly refundable to the vendor under section 16(5), so much of such amount as was not properly so refundable shall for the purposes of paragraph (a)(i) be deemed to an amount of tax required to be paid by the vendor within the said period and for the purposes of paragraph (a)(ii), an amount of tax required to be paid by the vendor during the period in</p>			

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		which the refund was made].”			
21.	Paragraph 128(c)	Section 39 of the VAT Act is hereby amended by the deletion of subsection (2)	Section 39(2) of the VAT Act	<i>Section 39(2) of the VAT Act not deleted to the extent that it relates to interest.</i>	Paragraph 128(c) partially commenced to the extent that the deletion relates to penalties. The section no longer provides for the imposition of penalties on taxes payable in terms of section 29 of the VAT Act, these now being regulated in accordance with section 39(1) of the TA Act. The paragraph has not commenced to the extent that the deletion relates to interest and the section continues to apply to interest on the late payment of taxes under section 29.
22.	Paragraph 128(d)	Section 39 of the VAT Act is hereby amended by the substitution for subsection (4) of the following subsection: “Where any importer of goods which are required to be entered under the Customs and Excise Act, fails to pay any amount of tax payable in respect of the importation of the goods on the date on which the	Section 39(4) of the VAT Act	<i>No change to the current wording of section 39(4) of the VAT Act to the extent that it relates to interest.</i>	Paragraph 128(d) partially commenced to the extent that the amendment relates to penalties. The section now provides for the imposition of penalties in accordance with the TA Act. The paragraph has not commenced to the extent that the wording of the section prior to

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<p>goods are entered under the said Act for home consumption in the Republic or the date on which customs duty is payable in terms of the said Act in respect of the importation or, if such duty is not payable, the date on which it would be so payable if it had been payable, whichever date is later, <u>the Commissioner must, in accordance with Chapter 15 of the Tax Administration Act, impose on that importer [shall, in addition to such amount of tax pay—</u></p> <p>(a)] a penalty equal to 10 per cent of the said amount of tax[; and</p> <p>(b) where payment of the said amount of tax is made on or after the first day of the month following the month during which the period allowed for payment of the tax ended, interest on the said amount of tax, calculated at the prescribed rate (but subject to the provisions of section 45A) for each month or part of a month</p>			<p>amendment relates to interest on the late payment of the taxes under this section, which wording continues to apply.</p>

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		in the period reckoned from the said first day].”			
23.	Paragraph 128(e)	<p>Section 39 of the VAT Act is hereby amended by the substitution for subsection (5) of the following subsection:</p> <p>“Where any person who is liable for the payment of tax fails to pay any amount of such tax on the date on which in terms of the Customs and Excise Act, liability arises for the payment of the excise duty or environmental levy referred to in section 7(3)(a), <u>the Commissioner must, in accordance with Chapter 15 of the Tax Administration Act, impose on that person [shall, in addition to such amount of tax, pay—</u></p> <p>(a)] a penalty equal to 10 per cent of the said amount of tax[; and</p> <p>(b) where payment of the said amount of tax is made on or after the first day of the month following the month during which the period allowed for payment of the tax ended, interest on</p>	Section 39(5) of the VAT Act	<i>No change to the current wording of section 39(5 of the VAT Act) to the extent that it relates to interest.</i>	Paragraph 128(e) partially commenced to the extent that the amendment relates to penalties. The section now provides for the imposition of penalties in accordance with the TA Act. The paragraph has not commenced to the extent that the wording of the section prior to amendment relates to interest on the late payment of the taxes under this section, which wording continues to apply.

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		that amount of tax, calculated at the prescribed rate (but subject to the provisions of section 45A) for each month or part of a month in the period reckoned from the said first day].”			
24.	Paragraph 128(f)	Section 39 of the VAT Act is hereby amended by the deletion of subsections (6), (6A), (7) and (8).	Section 39(6), (6A), (7) and (8) of the VAT Act	<i>Section 39(6) and (7) of the VAT Act not deleted to the extent that it relates to interest and section 39(6A) and (8) of the VAT Act not deleted.</i>	Paragraph 128(f) partially commenced to the extent that the deletions of sections 39(6) and (7) of the VAT Act relates to penalties. Section 39(6) of the VAT Act no longer provides for the imposition of penalties on taxes payable in terms of section 14 of the VAT Act, these are now regulated under the TA Act (in accordance with section 39(1) of the VAT Act) and section 39(7) of the VAT Act no longer regulates the remission of penalties, such being regulated in accordance with other amended sections, under the TA Act. The paragraph has not commenced to the extent that the deletion

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
					relates to interest and section 39(6) of the VAT Act continues to apply to interest on the late payment of taxes under sections 14 and 39(7) of the VAT Act to the remission of interest. The paragraph has additionally not commenced to the extent that sections 39(6A) and (8) of the VAT Act relates <i>only</i> to interest and they continue to do so, section 39(6A) as provided for in section 270(6E) of the TA Act.
25.	Paragraph 133(e)	Section 44 of the VAT Act is hereby amended by the substitution for subsection (7) of the following subsection: “Where the vendor has failed to furnish a return for any tax period as required by this Act, the Commissioner may withhold payment of any amount refundable to the vendor under [subsection (1) or any amount of interest payable to the vendor in terms of section 45] <u>section 190 of the Tax Administration Act</u> until the	Section 44(7) of the VAT Act	<i>Section 44(7) of the VAT Act not amended to the extent that it relates to interest.</i>	Paragraph 133(e) partially commenced to the extent that the amendment relates to refunds, which are now refundable under the TA Act. It has not commenced to the extent that the wording of the section prior to amendment relates to the withholding of interest as described, which wording continues to apply.

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		vendor has furnished such return as so required.”			
26.	Paragraph 134	<p>The VAT Act is hereby amended by the substitution for section 45 of the following section:</p> <p>“Interest on delayed refunds</p> <p><u>(1) Where the Commissioner does not within the period of 21 business days after the date on which the vendor’s return in respect of a tax period is received by a SARS office refund any amount refundable under the Tax Administration Act, interest will be paid on such amount in accordance with Chapter 12 of that Act.</u></p> <p><u>(2) Despite the provisions of Chapter 12 of the Tax Administration Act, if a person fails to—</u></p> <p><u>(a) without just cause submit relevant material, requested by SARS for purposes of verification, inspection or audit of a refund in accordance with Chapter 5 of the Tax Administration Act; or</u></p>	Section 45(1) and (2) of the VAT Act	<i>Section 45(1) and (2) of the VAT Act not repealed.</i>	Paragraph 134, read with section 32 of the Tax Administration Laws Amendment Act 44 of 2014 and section 136 of the Tax Administration Laws Amendment Act 23 of 2015, has not commenced as the amendment relates <i>only</i> to interest and the wording of the section prior to amendment continues to apply. However, as they do not relate to interest, section 44(1) of the VAT Act must be read as a reference to section 190 of the TA Act, section 48(1) as a reference to section 46 of the VAT Act and section 23(2)(ii)(bb) as a reference to section 23(2).

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<p><u>(b) furnish SARS in writing with particulars of the account required in terms of section 44(3)(d) to enable SARS to transfer a refund to that account,</u></p> <p><u>no interest accrues on the amount refundable for the period from the date that—</u></p> <p><u>(i) in respect of subparagraph (a), the relevant material was required to be submitted; or</u></p> <p><u>(ii) in respect of subparagraph (b), the refund is authorised,</u></p> <p><u>until the date that the person submits the relevant material or bank account particulars.”</u></p> <p><i>Section 45(2) was further amended by section 32 of the Tax Administration Laws Amendment Act 44 of 2014 read with section 136 of the Tax Administration Laws Amendment Act 23 of 2015 as follows, its effective date to coincide with that of paragraph 134:</i></p>			

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<p>“Despite the provisions of Chapter 12 of the Tax Administration Act, if a person fails to[—</p> <p>(a) without just cause submit relevant material, requested by SARS for purposes of verification, inspection or audit of a refund in accordance with Chapter 5 of the Tax Administration Act; or</p> <p>(b)] furnish SARS in writing with particulars of the account required in terms of section 44(3)(d) to enable SARS to transfer a refund to that account,</p> <p>no interest accrues on the amount refundable for the period from the date that[—</p> <p>(i) in respect of subparagraph (a), the relevant material was required to be submitted; or</p> <p>(ii) in respect of subparagraph (b),] the refund is authorised,</p>			

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		until the date that the person submits the [relevant material or] bank account particulars.”			
27.	Paragraph 135	Section 45A of the VAT Act is hereby repealed.	Section 45A of the VAT Act	<i>Section 45A of the VAT Act not repealed.</i>	Paragraph 135 has not commenced as the repealed section relates <i>only</i> to interest and continues to apply.
28.	Paragraph 144(a)	Section 61 of the Value-Added Tax Act is hereby amended by the substitution for subsection (1) of the following subsection: “Where in respect of any supply made by a vendor, the vendor has, in consequence of any fraudulent action or any misrepresentation by the recipient of the supply, incorrectly applied a rate of zero per cent or treated such supply as being exempt from tax, the Commissioner may, notwithstanding anything to the contrary contained in this Act, raise an assessment upon the recipient for the amount of tax payable, together with any <u>interest and penalty</u> [or interest that has become payable in terms of section 39] that has become	Section 61(1) of the VAT Act	<i>Section 61(1) of the VAT Act not amended to the extent that it relates to interest.</i>	Paragraph 144(a) partially commenced to the extent that the amendment relates to penalties, which are now payable under Chapters 15 and 16 of the TA Act, and the estimation of assessments, which are now regulated under section 95 of the TA Act. It has not commenced to the extent that the wording of the section prior to amendment relates to interest, which wording continues to apply.

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<p>payable in terms of Chapter 12, 15 or 16 of the Tax Administration Act, as the case may be, in respect of such amount[, and, in raising such assessment, the Commissioner may estimate the amount on which the tax is payable].”</p>			
Skills Development Levies Act 9 of 1999					
29.	Paragraph 152(a)	<p>Section 11 of the Skills Development Levies Act is hereby amended by the substitution for subsection (1) of the following subsection:</p> <p>“If an employer fails to pay a levy or any portion thereof on the last day for payment thereof, as contemplated in section 6(2) or 7(4), interest is payable on the outstanding amount [at the rate contemplated paragraph (b) of the definition of ‘prescribed rate’ in section 1 of the Income Tax Act, calculated from the day following that last day for payment to the day that payment is received by the Commissioner, SETA or approved body, as the case</p>	Section 11(1) of the Skills Development Levies Act	<p><i>No change to the current wording of section 11(1) of the Skills Development Levies Act until amended as follows by section 23 of the Tax Administration Laws Amendment Act 33 of 2019 pending its substitution by paragraph 152(a):</i></p> <p><i>“If an employer fails to pay a levy or any portion thereof on the last day for payment thereof, as contemplated in section 6[(2)](1), (1A) or 7(4), interest is payable on the outstanding amount at the rate contemplated in paragraph (b) of the definition of “prescribed rate” in section 1 of the Income Tax Act, calculated from the day following that last day for payment to the day that payment is received by the Commissioner,</i></p>	Paragraph 152(a) has not commenced as the amendment relates <i>only</i> to interest and the wording of the section prior to amendment continued to apply until 13 January 2020 when section 23 of the Tax Administration Laws Amendment Act 33 of 2019 amended the section until the commencement of paragraph 152(a).

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<u>may be] in accordance with the provisions of Chapter 12 of the Tax Administration Act."</u>		<i>SETA or approved body, as the case may be."</i>	
30.	Paragraph 152(b)	Section 11 of the Skills Development Levies Act is hereby amended by the deletion of subsection (2).	Section 11(2) of the Skills Development Levies Act	<i>No change to current wording of section 11(2) of the Skills Development Levies Act.</i>	Paragraph 152(b) has not commenced as the deleted section relates <i>only</i> to interest and continues to apply.
31.	Paragraph 154	Section 13 of the Skills Development Levies Act is hereby repealed.	Section 13(d) of the Skills Development Levies Act read with section 13(iii)	<i>Section 13(d) of the Skills Development Levies Act and section 13(iii) not repealed to the extent that they relate to interest.</i>	Paragraph 154 has partially commenced to the extent that the majority of the deleted section does not relate to interest and has been repealed. However, section 13(d) read with section 13(iii) makes provisions of the Income Tax Act applicable to skills development levies, which includes sections 88(5) to (7) of the Income Tax Act which relates <i>only</i> to interest. Paragraph 154 has consequently not commenced to the extent that that it deletes this reference, which continues to apply.

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
32.	Paragraph 162	Section 12 of the Unemployment Insurance Contributions Act is hereby repealed.	Section 12 of the Unemployment Insurance Contributions Act	<i>Section 12 of the Unemployment Insurance Contributions Act not repealed.</i>	Paragraph 162 has not commenced as the repealed section relates <i>only</i> to interest and continues to apply.
33.	Paragraph 163(b)	Section 13 of the Unemployment Insurance Contributions Act, 2002, is hereby amended by the deletion of subsections (2), (3) and (4).	Section 13(3)(b)(i) of the Unemployment Insurance Contributions Act	<i>Section 13(3)(b)(i) of the Unemployment Insurance Contributions Act not deleted.</i>	Paragraph 163(b) partially commenced to the extent that sections 13(2), 13(4) and the majority of section 13(3) of the Unemployment Insurance Contributions Act do not relate to interest and have been repealed. It has not commenced to the extent that section 13(3)(b)(i) of the Unemployment Insurance Contributions Act relates <i>only</i> to interest and continues to do so as provided for in section 270(6E) of the TA Act.
34.	Paragraph 164	Section 14 of the Unemployment Insurance Contributions Act is hereby repealed.	Section 14 of the Unemployment Insurance Contributions Act	<i>Section 14(1)(c) and section 14(2)(d) of the Unemployment Insurance Contributions Act not repealed to the extent that they relate to interest.</i>	Paragraph 164 has partially commenced to the extent that the majority of the deleted section does not relate to interest and has been repealed. However, section 14(1)(c) of the Unemployment Insurance Contributions

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
					Act read with section 14(2)(d) of the Unemployment Insurance Contributions Act makes provisions of the Income Tax Act applicable to unemployment insurance contributions, which includes sections 88(5) to (7) of the Income Tax Act which relates <i>only</i> to interest. Paragraph 164 has consequently not commenced to the extent that that it deletes this reference, which continues to apply.
Diamond Export Levy (Administration) Act 14 of 2007					
35.	Paragraph 169	Sections 10, 11, 12, 13, 14 and 15 of the Diamond Export Levy (Administration) Act are hereby repealed.	Section 15 of the Diamond Export Levy (Administration) Act	<i>Section 15 of the Diamond Export Levy (Administration) Act not repealed.</i>	Paragraph 169 partially commenced to the extent that sections 10 to 14 of the Diamond Export Levy (Administration) Act do not relate to interest and have been repealed. It has not commenced to the extent that it repeals section 15 of the Diamond Export Levy (Administration) Act which relates <i>only</i> to interest and continue to apply.

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
Securities Transfer Tax Administration Act 26 of 2007					
36.	Paragraph 175	Sections 5, 6 and 7 of the Securities Transfer Tax Administration Act are hereby repealed.	Section 5 of the Securities Transfer Tax Administration Act	<i>Section 5 of the Securities Transfer Tax Administration Act not repealed.</i>	Paragraph 175 partially commenced to the extent that sections 6 and 7 of the Securities Transfer Tax Administration Act do not relate to interest and have been repealed. It has not commenced to the extent that it repeals section 5 of the Securities Transfer Tax Administration Act which relates <i>only</i> to interest and continues to apply.
37.	Paragraph 176	The Securities Transfer Tax Administration Act is hereby amended by the substitution for section 8 of the following section: “ Interest on overdue payments and penalty on default recoverable from person to whom security is transferred. —(1) In the case of a listed security, a member or participant may recover the amount of [the] interest [referred to in section 5, penalty on default referred to in section 6 or the] or penalty	Section 8 of the Securities Transfer Tax Administration Act	<i>Section 8 of the Securities Transfer Tax Administration Act not amended to the extent that it relates to interest.</i>	Paragraph 176 partially commenced to the extent that the amendment relates to penalties, which are now payable under Chapters 15 and 16 of the TA Act. It has not commenced to the extent that the wording of the section prior to amendment relates to interest, which wording continues to apply.

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<p>[in the case of evasion referred to in section 7] payable by that member or participant [in terms of this Act] under the <u>Tax Administration Act</u> from the person—</p> <p>(a) to whom a listed security is transferred; or</p> <p>(b) who cancels or redeems a listed security,</p> <p>to the extent that the action or inaction of that person resulted in the interest or penalty.</p> <p>(2) In the case of an unlisted security, the company which issued that security may recover the amount of [the] interest [referred to in section 5, penalty on default referred to in section 6 or the] or penalty [in the case of evasion referred to in section 7] payable by that company [in terms of this Act] under the <u>Tax Administration Act</u> from the person to whom that security was transferred, to the extent that the action or inaction of that person resulted in the interest or penalty.”</p>			

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
38.	Paragraph 177	Sections 9, 10, 11, 12, 14, 15, 16, 17, 18 and 19 of the Securities Transfer Tax Administration Act are hereby repealed.	Section 18(2)(a) of the Securities Transfer Tax Administration Act	<i>Section 18(2)(a) of the Securities Transfer Tax Administration Act not repealed to the extent that it relates to interest</i>	Paragraph 177 partially commenced to the extent that sections 9, 10, 11, 12, 14, 15, 16, 17, 19 and the majority of section 18 of the Securities Transfer Tax Administration Act do not relate to interest and have been repealed. However, section 18(2)(a) of the Securities Transfer Tax Administration Act makes Part III of Chapter III of the Income Tax Act applicable to transfer duty and this Part includes section 88(5) to (7) of the Income Tax Act which relates <i>only</i> to interest. The paragraph has consequently not commenced to the extent that that it deletes this reference, which continues to apply.
Mineral and Petroleum Resources Royalty (Administration) (MPRRA) Act 29 of 2008					
39.	Paragraph 189	Sections 10, 11, 12, 13 and 16 of the Mineral and Petroleum Resources Royalty (Administration) Act are hereby repealed.	Section 16 of the MPRRA Act	<i>Section 16 of the MPRRA Act not repealed but amended for years of assessment commencing on or after on or after 1 January 2017 by section 44 read with section 65 of the Tax Administration Laws</i>	Paragraph 189 partially commenced to the extent that sections 10 to 13 of the MPRRA Act do not relate to interest and have been repealed. It has not

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
		<p>Paragraph 189 was further amended by section 65 of the Tax Administration Laws Amendment Act 16 of 2016 as follows:</p> <p>Sections 10, 11, 12[,], and 13 [and 16] of the Mineral and Petroleum Resources Royalty (Administration) Act are hereby repealed.</p>		<p><i>Amendment Act 16 of 2016 as follows:</i></p> <p><i>“(1) The Commissioner must pay interest [calculated on a monthly basis] in accordance with the provisions contained in Chapter 12 of the Tax Administration Act in respect of overpayment of an amount [or royalty] paid to the extent that that amount exceeds—</i></p> <p>(a) in the case where that amount was paid in respect of a notice of assessment, the amount so assessed; or</p> <p>(b) in any other case, the amount of royalty properly chargeable under the Royalty Act[, <i>if that excess is not refunded within 30 days after the later of—</i></p> <p>(i) the date which is six months after the last day of a year of assessment in respect of which the royalty giving rise to that excess is required to be paid as mentioned in section 6; or</p>	<p>commenced to the extent that it repeals section 16 of the MPRRA Act which relates <i>only</i> to interest and continued to apply. However, it applied <i>only</i> until section 44 of the Tax Administration Laws Amendment Act 16 of 2016 amended the section for years of assessment commencing on or after 1 January 2017.</p>

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
				<p>(ii) the date of receipt of a refund claim mentioned in section 13 in respect of that excess].</p> <p><i>(2) A registered person must pay interest [calculated on a monthly basis] in accordance with the provisions contained in Chapter 12 of the Tax Administration Act—</i></p> <p>(a) in respect of so much of the [estimated] amount that must be paid [as mentioned] <u>in terms of section 5(1) or (2), 5A or 6</u> as is not paid on the day by which that payment was required to be made [in respect of the six months after the first day that that estimated payment is due] under this Act; and</p> <p>[(b) in respect of so much of the estimated amount that must be paid as mentioned in section 5(2) as is not paid on the day by which that payment was required to be made in respect of the six months after the first day that that estimated payment is due; or]</p>	

No.	Schedule 1 provisions not commenced	Wording of Schedule 1 provisions	Affected provision of tax Act	Effect on tax Act provision	Explanatory notes
				<p>(c) in respect of so much of the amount that must be paid [as mentioned in section 6] <u>under an additional assessment issued by the Commissioner, other than an additional assessment under section 5A,</u> as is not paid on the day by which that payment was required to be made [in respect of any period after the first day that that payment is due]."</p> <p>Subsection (3) deleted.</p>	