



INITIAL TEST OF COMPETENCE 2024

TAXATION EXAMINABLE PRONOUNCEMENTS

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1. Introduction and rationale

This document (tax examinable pronouncements) provides guidance on what could be assessed in the ITC (Initial Test of Competence, SAICA's standard setting exam assessing core technical competence). It essentially scopes certain aspects of the tax legislation out given the large volume of tax legislation to be covered in preparation for the ITC.

This document **does not** represent the full scope of what needs to be covered within the four years of the accredited academic programme as the competency framework (and related knowledge lists) is far broader than these examinable pronouncements. Universities are reminded that even though certain aspects of knowledge are excluded for ITC purposes, it does not mean that universities are not required to cover these over the period of the accredited programme as these are important aspects of the competence requirements for CAs.

At entry point to becoming a CA(SA), the newly qualified chartered accountant is, however, not expected to be a tax specialist. Teaching in the academic programme in the discipline of taxation should be principle based where more attention is paid to ensuring candidates have grasped and can apply the core principles, with emphasis on developing lifelong learners. Entry level CAs should be equipped with sufficient base knowledge about tax to further upskill themselves as tax legislation changes or as they move into a tax specialist role.

The assessment is principally concerned with the taxes and duties levied in terms of the following Acts:

- The *Income Tax Act, 1962* (Act 58 of 1962);
- The *Estate Duty Act, 1955* (Act 45 of 1955);
- The *Value-Added Tax Act, 1991* (Act 89 of 1991);

The assessment is also concerned with the administrative provisions relating to the above in terms of the following Act:

- The *Tax Administration Act, 2011* (Act 28 of 2011).

In respect of these Acts, all is considered to be relevant and selected provisions are then "**scoped out**" for examination purposes. The decision to scope out (for exam purposes) a provision for assessment in the ITC is based on the following:

- A provision (or parts thereof) is not examinable if its nature is considered specialised or anti-avoidance in nature (as specified in the broad area exclusions below).
- If it is not considered fundamental (core); **and / or**
- If it is not considered to be prevalent. Prevalence is guided by factors such as:
 - Whether it is relevant in practice; and
 - Frequency or how often it occurs in practice.
- Provisions (or parts thereof) have also been excluded where the application or principles have already been addressed in another examinable section (i.e. avoid assessing duplication of principles).

All remaining provisions in the above Acts are therefore included for examination purposes and as such candidates are required to acquire a thorough knowledge and rigorous understanding of the subject matter. This level of knowledge and understanding requires a sound understanding of fundamental issues and may include complexities and integration with other provisions of the legislation.

Consequently, the candidate is required to have sufficient depth to clearly locate content in the general field of accountancy (as described in the competency framework document) and to identify implications and relationships.

Selected provisions from the following Acts are also included / "**scoped in**" for examination purposes:

- The *Transfer Duty Act, 1949* (Act 49 of 1949); and
- The *Securities Transfer Tax Act, 2007* (Act 25 of 2007).

In respect of these Acts, relevant provisions are then **scoped in** on the following basis:

- If it is considered fundamental (core); **and**
- If it is considered to be prevalent. Prevalence is guided by factors such as:
 - Whether it is relevant in practice; and
 - Frequency of how often it occurs in practice.

All other taxes, duties and levies payable in terms of various statutes have been excluded from the tax examinable pronouncements. Regulations and binding general rulings included in the SAICA Student Handbook are examinable. Interpretation Notes will no longer be included in the SAICA Student Handbook, but to the extent that an Interpretation Note creates a practice generally prevailing (refer to section 5 of the Tax Administration Act), the relevant extract will be provided in the exam.

Cut-off date:

The cut-off date for taxation legislation examinable in the Initial Test of Competence (ITC) for 2024 is as follows:

Amendments promulgated by 31 January 2023* and which are effective **for the 2023 year of assessment**. In other words, all amendments effective for years of assessment 2024 or later are not examinable. Therefore, the 2024 ITC will assess individuals with a 2023 year of assessment and non-natural persons with a December 2023 year of assessment (or earlier). If a withholding tax rate is changed in the Budget Speech in February 2023, the new rate will be provided in the ITC.

** SAICA reserves the right to change this to a later date should the relevant legislation not be promulgated before this date*

2. Broad area exclusions

(These areas are considered of a specialised nature and/or do not contain new fundamental principles.)

- Co-operatives
- Pastoral, Agricultural or other Farming operations
- Films
- Foreign, Special and Share Incentive Trusts
- Government Grants
- Headquarter Companies
- Hotel Keeper
- Insolvent Estates
- Insurers
- Mining
- Oil and Gas Companies
- Operation of Cable and Wireless Businesses
- Research and Development
- Taxation of Public Benefit Organisations, Recreational Clubs, Small Business Funding Entities, Sporting Bodies, REITs and Gambling Providers.
- Toll Road Operators
- Public Private Partnerships
- Share Block Companies
- Sharia Compliant Financing Arrangements
- International Shipping
- Turnover Tax for Micro Businesses
- Venture Capital Companies
- Special Economic Zones (SEZs) (VAT)
- Custom Controlled Areas (VAT)
- Municipalities, Municipal Entities, Welfare Organisations and Organisations not for Gain (VAT)
- Donor Funded Projects (VAT)

(Please note that we have tried as far as possible to indicate these exclusions from the detailed examinable legislation, however if an item is listed here, any reference in an examinable section to these topics can be ignored.)

3. Tax legislation

Reference to the legislation	Topics	Examinable
Section	Income Tax Act	
1(1) and 1(2)	Definitions	Yes
	<p>Not examinable</p> <p><i>'Banks Act',</i> <i>'collateral arrangement'</i> <i>'Collective Investment Schemes Control Act'</i> <i>'Companies Act'</i> <i>'co-operative'</i> <i>'Copyright Act'</i> <i>'Designs Act'</i> <i>'domestic treasury management company'</i> <i>'Financial Markets Act'</i> <i>'Financial Sector Conduct Authority'</i> <i>'Financial Sector Regulation Act'</i> <i>'foreign investment entity'</i> <i>'foreign partnership'</i> <i>'headquarter company'</i> <i>'hotel keeper'</i> <i>'identical security'</i> <i>'insolvent estate'</i> <i>'Insurance Act'</i> <i>'linked unit'</i> <i>'Long-term Insurance Act'</i> <i>'Medical Schemes Act'</i> <i>'Mineral and Petroleum Resource Development Act'</i> <i>'mining for gold' & 'mining operations'</i> <i>'municipality' & 'municipal value'</i> <i>'natural oil'</i> <i>'neighbouring country'</i> <i>'Patents Act'</i> <i>'Pension Funds Act'</i> <i>'portfolio of a collective investment scheme'</i> <i>'portfolio of a collective investment scheme in participation bonds'</i> <i>'portfolio of a collective investment scheme in property'</i> <i>'portfolio of a collective investment scheme in securities'</i> <i>'portfolio of a declared collective investment scheme'</i> <i>'portfolio of a hedge fund collective investment scheme'</i> <i>'post-1973 gold mine' & 'post-1990 gold mine'</i> <i>'Public Finance Management Act'</i> <i>'Public Private Partnership'</i> <i>'qualifying investor'</i> <i>'REIT'</i> <i>'securities lending arrangement'</i> <i>'Share Blocks Control Act'</i> <i>'Short-term Insurance Act'</i> <i>'small business funding entity'</i> <i>'small, medium or micro-sized enterprise'</i> <i>'South African Reserve Bank'</i> <i>'special trust'</i> <i>'Trade Marks Act'</i> <i>'water services provider'</i></p>	

Reference to the legislation	Topics	Examinable
	Will be stated / amount given 'average exchange rate' 'JSE Limited Listings Requirements' 'listed company' 'listed share' 'living annuity' (draw-down amounts will be given, and it will be stated that it falls within the allowed percentages) 'pension fund' (approved status will be given) 'pension preservation fund' (approved status will be given) 'permanent establishment' 'prescribed rate' 'provident fund' (approved status will be given) 'provident preservation fund' (approved status will be given) 'remuneration proxy' 'retirement annuity fund' (approved status will be given) 'retirement date' (date given) 'retirement interest' (amount given)	
	These definitions are examinable, with the following qualifications: 'contributed tax capital' (<i>figure for 'tainted' capital in terms of previous dividend definition will be stated</i>) 'gross income' (<i>excluding (j), (l), (IA) & (IC)</i>) 'resident' (<i>number of days will be provided, and place of effective management will be stated</i>)	
2, 3(1) & 4A	Administration	No
3(4)	Objection	Yes
5	Levy of normal tax and rates thereof 5(1) & 5(2) 5(9) & 5(10)	Yes No
6	Normal tax rebates	Yes
6A	Medical scheme fees tax credit	Yes
6B	Additional medical expenses tax credit	Yes
6quat	Rebate or deduction in respect of foreign taxes on income (<i>amount of foreign tax will be provided in foreign currency</i>) 6quat(1)(b), (1)(f)(iii), (1A)(b), (1B)(iA), (1C) & (1D)	Yes No
6quin	Rebate in respect of foreign taxes on income from RSA source	No
7	When income is deemed to have accrued/to have been received <i>Donations and interest-free loans (not low-interest loans) and s7(8) only to the extent that it relates to foreign source income</i> 7(2)(a), 7(4), 7(6), 7(7), 7(8)(aA) & 7(11)	Yes No
7A	Date of receipt or accrual of antedated salaries or pensions and of certain retirement gratuities	No
7B	Timing of accrual and incurral of variable remuneration	Yes
7C	Loan, advance or credit granted to trust by connected person 7C(5)(a), (b), (c), (f) & (h) <i>Question will state if shares qualify as preference shares</i>	Yes No
7D	Calculation of amount of interest	Yes
7E	Time of accrual of interest payable by SARS	Yes
7F	Deduction of interest repaid to SARS	Yes
8	Certain amounts to be included in income or taxable income 8(1)(a)(i) – (iii), (b) & (c), 8(4)(a), (e), (eA) – (eE) & (k) and 8(5) s 8(1)(a)(i)(cc), 8(1)(a)(iv), (d) to (g), 8(4)(b), (f), (l), (n) & (4A)	Yes No

Reference to the legislation	Topics	Examinable
8A	<i>Gains made by directors of companies or by employees in respect of rights to acquire marketable securities</i>	No
8B	<i>Taxation of amounts from broad-based employee share plan</i>	No
8C	Taxation of directors and employees on vesting of equity instruments 8C(1), (2), (3) & (7) 8C(1)(b)(ii), (1A), 2(a)(i)(aa), 2(b)(i)(aa), (4), (5), (6) & par (c) and proviso's to definition of "consideration" in 8C(7)	Yes No
8E	<i>Dividends derived from certain shares and equity instruments deemed to be income in relation to the recipients thereof</i>	No
8EA	<i>Dividends on third-party backed shares deemed to be income in relation to recipients thereof</i>	No
8F	Interest on hybrid debt instruments deemed to be dividends in specie (Insurance, REIT and third-party backed instruments excluded)	Yes
8FA	<i>Hybrid interest deemed to be dividends in specie</i>	No
8G	<i>Determination of contributed tax capital in respect of shares issued to a group company</i>	No
9	Source of income 9(1), 9(2)(c), (d), (e), (f), (g), (h) and (l), 9(4)(c) & (e)	Yes No
9A	<i>Blocked foreign funds</i>	No
9C	Circumstances in which certain amounts received or accrued from disposal of shares are deemed to be of a capital nature 9C(1) & (2) 9C(2A), (3), (4) & (4A) 9C(5), (6), (7) & (8)	Yes No Yes
9D	<i>Controlled foreign company</i>	No
9H	Change of residence 9H(1), (2), (3)(a), (c), (e) & (f), (3A), (4)(a), (c) & (e) 9H(3)(b) & (d), 4(d) & (f) and reference to headquarter company	Yes No
9HA	Disposal by deceased person	Yes
9HB	Transfer of assets between spouses	Yes
9I	<i>Headquarter companies</i>	No
9J	Interest of non-resident persons in immovable property	Yes
9K	<i>Listing of security on exchange outside Republic</i>	No
10	Exemptions: 10(1) (unless listed below) 10(1)(a), (bA), (bB), (c), (cA), (cE), (cG) to (cQ), (d), (e), (gE), (gH), (gJ), (hA), (iB), (j), (k)(i) proviso (dd) - (ii) and proviso (kk), (l), (lA), (nC), (nE), (o)(i), (o)(iA), (o)(ii) proviso (B), (p), (r), (t), (y) & (yA) - (zL) 10(2) and (3)	Yes No Yes
10A	Exemption of capital element of purchased annuities 10A(1) & (2) (capital element will be given) 10A(3) - (11)	Yes No
10B	Exemption of foreign dividends and dividends paid or declared by headquarter companies 10B(2)(b) & (c), 10B(4), (6) & (6A)	Yes No
10C	Exemption of non-deductible element of qualifying annuities	Yes

Reference to the legislation	Topics	Examinable
11	General deductions allowed in determination of taxable income – unless listed below <i>11(e)(iiiA), (f)(v), (vi) & proviso (dd) & (ee), (gA), (gD), (hB), (jA), (lA) & (w)</i> Further information that will be provided: 11(h) (amount will be provided), 11(j) (question will state if IFRS 9 is applied or not and provide either the IFRS 9 loss allowance or days that debt is in arrears)	Yes No
11A	Deductions in respect of expenditure and losses incurred prior to commencement of trade	Yes
11D	<i>Deductions i.r.o. scientific or technological R&D</i>	No
11E	<i>Deduction of certain expenditure incurred by sporting Bodies</i>	No
11F	Deductions in respect of contributions to retirement funds	Yes
11sex	<i>Deduction of compensation for railway operating losses</i>	No
12B	Deduction i.r.o. certain machinery, plant, implements, utensils and articles used in farming or production of renewable energy <i>12B(1)(f)</i>	Yes No
12C	Deduction in respect of assets used by manufacturers or hotel keepers and in respect of aircraft and ships, and in respect of assets used for storage and packing of agricultural products <i>(Information will be provided as to whether a particular process is a manufacturing (or similar) process)</i> <i>12C(1)(bA), (c), (d), (e), (gA) and proviso (d)</i>	Yes No
12D	<i>Deduction in respect of certain pipelines, transmission lines and railway lines</i>	No
12DA	<i>Deduction in respect of rolling stock</i>	No
12E	Deductions in respect of small business corporations <i>(Information will be provided as to whether a particular process is a manufacturing (or similar) process)</i>	Yes
12F	<i>Deduction in respect of airport and port assets</i>	No
12H	Additional deduction in respect of learnership agreements <i>(whether the agreement is a “registered learnership agreement”, date of registration and NQF level will be given)</i> Only contracts entered into on or after 1 October 2016.	Yes
12I	<i>Additional investment and training allowances in respect of industrial policy projects</i>	No
12J	<i>Deductions in respect of expenditure incurred in exchange for issue of venture capital company shares</i>	No
12K	<i>Exemption of certified emission reductions</i>	No
12L	<i>Allowance for energy efficiency savings</i>	No
12M	<i>Deduction of medical lump sum payments</i>	No
12N	<i>Deductions in respect of improvements not owned by taxpayer (excluding Public Private Partnerships and Independent Power Producer Procurement Programme)</i> <i>12N(3)</i>	Yes No
12NA	<i>Deductions in respect of improvements on property in respect of which government holds a right of use or occupation</i>	No
12O	<i>Exemption in respect of films</i>	No
12P	<i>Exemption of amounts received or accrued i.r.o. Government</i>	No
12Q	<i>Exemption of income i.r.o. ships used in international shipping</i>	No
12R	<i>Special economic zones</i>	No

Reference to the legislation	Topics	Examinable
12S	<i>Deductions in respect of buildings in special economic zones</i>	No
12T	Exemption of amounts received or accrued in respect of tax-free investments (<i>It will be stated whether or not the investment meets the requirements to be a "tax free investment"</i>) 12T(8) & (9)	Yes No
12U	<i>Additional deduction in respect of roads and fences in respect of production and renewable energy</i>	No
13	<i>Deductions i.r.o. buildings used in a process of manufacture (Information will be provided as to whether a particular process is a manufacturing (or similar) process. Furthermore, tax values and allowances of buildings erected prior to 1 January 1989 or during the 10% write-off period will be provided)</i> 13(1A) & 13(8)	Yes No
13bis	<i>Deductions in respect of buildings used by hotel keepers</i>	No
13ter	<i>Deductions in respect of residential buildings</i>	No
13quat	<i>Deductions in respect of erection or improvement of buildings in urban development zones</i>	No
13quin	<i>Deduction in respect of commercial buildings</i>	Yes
13sex	<i>Deduction in respect of certain residential units</i>	Yes
13sept	<i>Deduction i.r.o. sale of low-cost residential units on loan</i>	No
15	<i>Deductions from income derived from mining operations</i>	No
15A	<i>Amounts to be taken into account in respect of trading stock derived from mining operations</i>	No
17A	<i>Expenditure incurred by a lessor of land let for farming purposes, in respect of soil erosion works</i>	No
18A	Deduction of donations to certain organisations 18A(1) & (3) (<i>Excluding collective investment schemes.</i>) (It will be stated that the s18A receipt was obtained.) 18A(1A), (1B), (1C), (2), (2A) - (2D), (3A) & (3B), (4) – (7)	Yes No
19	Concession or compromise in respect of a debt (<i>context will indicate whether it is a commercial decision or a donation. Please ignore Proviso (bb)(B) of s19(8)(d)</i>)	Yes
20	Set-off of assessed losses	Yes
20A	Ring-fencing of assessed losses of certain trades	Yes
20B	Limitation of losses from disposal of certain assets	Yes
20C	<i>Ring-fencing of interest incurred by headquarter co.</i>	No
21	<i>Deduction of alimony, allowance or maintenance</i>	No
22	Amounts to be taken into account in respect of values of trading stocks – other than listed below 22(1)(b), (1A), (2A), (3)(a)(iii)(aa) & (bb), (3A), (4A), (4B), 22(8) proviso (c) & (9)	Yes No
22A	<i>Schemes of arrangement involving trading stock</i>	No
22B	<i>Dividends treated as income on disposal of certain shares</i>	No
23	Deductions not allowed in determination of taxable income – other than listed below 23(n), (o)(iii) & (p)	Yes No
23A	<i>Limitation of allowances granted to lessors of certain assets</i>	No
23B	Prohibition of double deductions	Yes
23C	Reduction of cost or market value of certain assets 23C(2)	Yes No
23D	<i>Limitation of allowances granted in respect of certain assets</i>	No

Reference to the legislation	Topics	Examinable
23F	Acquisition or disposal of trading stock <i>23F(2) – (3)</i>	Yes No
23G	<i>Sale and leaseback arrangements</i>	No
23H	Limitation of certain deductions	Yes
23I	<i>Prohibition of deductions in respect of certain intellectual property including amendments</i>	No
23K	<i>Limitations of deductions i.r.o. reorganisation transactions</i>	No
23L	<i>Limitations of deductions i.r.o. certain short-term insurance policies</i>	No
23M	<i>Limitations of interest deductions in respect of debt owed to persons not subject to tax under this chapter</i>	No
23N	<i>Limitations of interest deductions in respect of reorganisations and acquisition transactions</i>	No
23O	<i>Limitation of deductions by small, medium or micro-sized enterprises in respect of amounts received or accrued from small business funding entities</i>	No
24	Credit agreements and debtors' allowance (<i>gross profit method only</i>)	Yes
24A	<i>Transactions whereby fixed property is or company shares are exchanged for shares</i>	No
24BA	Transactions where assets are acquired as consideration for shares issued	Yes
24C	Allowance in respect of future expenditure on contracts (<i>The methods which must be used to make this determination will be given.</i>)	Yes
24D	<i>Deduction of certain expenditure incurred in respect of any National Key Point or specified important place or area</i>	No
24E	<i>Allowance in respect of future expenditure by sporting bodies</i>	No
24G	<i>Taxable income of toll road operators</i>	No
24H	<i>Persons carrying on trade or business in partnership</i>	No
24I	Gains or losses on foreign exchange transactions (<i>excluding headquarter, domestic treasury management and international shipping companies</i>) (<i>excluding re-classifications in 24I(10A) where it may be assumed that full loan is non-current</i>) Par (d), (e) & (f) of definition of "local currency"	Yes No
24J	24J(2), (3), (5) & (10) 24J(1) (only the definitions listed below) 'accrual amount', 'accrual period', 'adjusted initial amount', 'deferred interest', 'holder', 'income instrument', 'initial amount', 'instrument', 'interest' (only par (a)), 'issue', 'issue price', 'issuer', 'term', 'yield to maturity' (basic calculation – not the provisos) (3A), (4), (4A), (5A), (6) – (9A) & (12)	Yes Yes No
24JA	<i>Sharia compliant financing arrangement</i>	No
24JB	<i>Fair value taxation in respect of financial instruments</i>	No
24K	<i>Incurral and accrual of amounts i.r.o. interest rate agreements</i>	No
24L	<i>Incurral and accrual of amounts i.r.o. of option contracts</i>	No
24M	Incurral and accrual of amounts in respect of assets acquired or disposed of for unquantified amount	Yes
24N	<i>Incurral and accrual of amounts in respect of disposal or acquisition of equity shares</i>	No

Reference to the legislation	Topics	Examinable
24O	Incurral and accrual in terms of certain debts deemed to be in production of income (5)	Yes No
24P	<i>Allowance in respect of future repairs to certain ships</i>	No
25	Taxation of deceased estates	Yes
25A	<i>Determination of taxable incomes of permanently separated spouses</i>	No
25B	Taxation of trusts and beneficiaries of trusts 25B(2A) & (2B)	Yes No
25BA	<i>Amounts received by or accrued to portfolios of collective investment schemes in securities and holders of participatory interests in portfolios</i>	No
25BB	<i>Taxation of REITs</i>	No
25C	<i>Income of insolvent estates</i>	No
25D	Determination of taxable income in foreign currency 25D(2A),(4),(5), (6) & (7)	Yes No
26	<i>Determination of taxable income derived from farming</i>	No
26A	Inclusion of taxable capital gain in taxable income	Yes
26B – 30C	<i>Taxation of oil and gas co's, co-operatives, insurers, PBO's, Recreational clubs, Ass. & Small business funding entities</i>	No
31	Taxable income in respect of international transactions to be based on arm's length principle. Arm's length terms and conditions will be given along with whether entities are "associated enterprises" 31(1)"affected transaction" par (a)(iv), provisos to 31(3), 31(4)(b), 31(5), (6) and (7)	Yes No
33	<i>Assessment of owners or charterers of ships or aircraft who are not residents of the Republic</i>	No
35A	Withholding of amounts from payments to non-resident sellers of immovable property 35A(8) – (13)	Yes No
36	<i>Calculation of redemption allowance and unredeemed balance of capital expenditure in connection with mining operations</i>	No
37	<i>Calculation of capital expenditure on sale, transfer, lease or cession of mining property</i>	No
37A	<i>Closure rehabilitation company or trust</i>	No
37B	<i>Deductions i.r.o. environmental expenditure</i>	No
37C	<i>Deductions i.r.o. environmental conservation and maintenance</i>	No
37D	<i>Allowance i.r.o. land conservation i.r.o. nature reserves or national parks</i>	No
37F	<i>Determination of taxable income derived by persons previously assessable under certain other laws</i>	No
37G	<i>Determination of taxable income derived from small business undertakings</i>	No
38	<i>Classification of companies</i>	No
39	<i>Redetermination of company's status</i>	No
40A & 40B	<i>Conversions to a company</i>	No
40C	Issue of shares or granting of options/rights for no consideration	Yes
40CA	Acquisition of assets in exchange for shares or debt issued	Yes
40D	<i>Communications licence conversions</i>	No
40E	<i>Ceasing to be controlled foreign company</i>	No

Reference to the legislation	Topics	Examinable
41	General 41(3), (4) & (7)	Yes No
42	Asset-for-share transactions <i>(interest in a listed company, portfolio of a collective investment scheme in securities or hedge fund (i.e. provisos to par (a) of the definition of “asset-for-share transaction” in s 41(1), par (a), (b) & (e) of the definition of “qualifying interest”, proviso to s 42(2)(b) and s 42(3A)), foreign re-organisations (i.e. par (b) of definition of “asset-for-share transaction” in s 42(1) and s 42(2)(a)(i)bb)), controlled foreign company (s 42(8A)(b)(ii)) and anti-avoidance aspects</i>	Yes No
43	<i>Substitutive share-for-share transactions</i>	No
44	<i>Amalgamation transactions</i>	No
45	Intra-group transactions <i>(foreign re-organisations (i.e. par (b) of definition of “intra-group transaction” in s 45(1)) and anti-avoidance aspects contained in 45(3A) – (5))</i> Section 45(6)(d)	Yes No No
46	<i>Unbundling transactions</i>	No
46A	<i>Limitations of expenditure incurred in respect of shares held in an unbundling company</i>	No
47	<i>Transactions relating to liquidation, winding-up & deregistration</i>	No
47A – 47K	<i>Withholding tax on entertainers and sportspersons</i>	No
48 – 48C	<i>Turnover Tax for micro business</i>	No
49A – 49H	<i>Withholding tax on royalties</i>	No
50A – 50H	Withholding tax on interest S50D(1)(a)(i)(cc), (b), (c) & (d), 50D(2), 50G – 50H	Yes No
54	Levy of donations tax	Yes
55	Definitions for purposes of this Part	Yes
56	Exemptions 56(1)(o)	Yes No
57	Disposals by companies under donations at the instance of any Person	Yes
57A	Donations by spouse married in community of property	Yes
57B	<i>Disposal of the right to receive an asset which would otherwise have been acquired in consequence of services rendered or to be rendered</i>	No
58(1)	Property disposed of under certain transactions deemed to have been disposed of under a donation 58(2)	Yes No
59	Persons liable for the tax	Yes
60	Payment and assessment of the tax	Yes
61	<i>Extension of scope of certain provisions of Act for purposes of donations tax</i>	No
62 62(1)(a) – (c)	Value of property disposed of under donations (value of limited interests in property and annuities will be given)	Yes
64	Rate of donations tax	Yes
64D	Definitions <i>(It will be stated that an entity is a ‘regulated intermediary’)</i>	Yes
64E	Levy of tax	Yes

Reference to the legislation	Topics	Examinable
64EA	Liability for tax	Yes
64EB	<i>Deemed beneficial owners of dividends</i>	No
64F	Exemptions from tax i.r.o. dividends other than dividends comprising distributions of assets <i>in specie</i> <i>64F(1)(b) to (i), (m), (n) & 64F(2)</i>	Yes No
64FA	Exemption from and reduction of tax i.r.o. dividends in specie <i>64FA(1)(c) & (d)</i>	Yes No
64G	Withholding of dividend tax by co. declaring and paying dividends	Yes
64H	Withholding of tax by regulated intermediaries	Yes
64I	<i>Withholding of dividends tax by insurers</i>	No
64K	Payment and recovery of tax	Yes
64L	<i>Refund of tax i.r.o. dividends declared and paid by companies</i>	No
64LA	<i>Refund of tax in respect of dividends in specie</i>	No
64M	<i>Refund of tax i.r.o. dividends paid by regulated intermediaries</i>	No
64N	Rebate in respect of foreign taxes on dividends	Yes
Chapter III General provisions		
66 – 72A	<i>Part I Returns (except s 67)</i>	No
67	Registration as taxpayer	Yes
Part IIA		
80A, 80B & L	Impermissible tax avoidance arrangements <i>80A(a)(ii) & 80A(c)(ii)</i>	Yes No
80C – F	<i>Lack of commercial substance, Round trip financing, Accommodating or tax-indifferent parties, Treatment of connected persons and accommodating or tax-indifferent parties</i>	No
80G	Presumption of purpose	Yes
80H	Application to steps in or parts of an arrangement	Yes
80I – K	<i>Use in the alternative, Notice and Interest</i>	No
89 - 91	<i>Part IV: Payment and Recovery of Tax</i>	No
Part VI: Miscellaneous		
102	<i>Refunds and set off</i>	No
103	Transactions, operations or schemes for purposes of avoiding or postponing liability for or reducing amounts of taxes on income	Yes
107	<i>Regulations</i>	No
108	Prevention of or relief from double taxation Examinable treaties: Mauritius and the UK will be printed in the SAICA Student Handbook. The interrelationship between domestic legislation and the following articles are examinable: <ul style="list-style-type: none"> - Resident (article 4) - Immovable property (rental and CGT) (articles 6 and 13) - Business profits (only article 7(1)). Do not assume that a person carries on business through a “Permanent Establishment” - it will be specifically stated if applicable. - Dividends (article 10) - Interest (article 11) - Employment (article 14) - Pensions (article 17) Elimination of double tax (article 21 (UK DTA) and article 22 (Mauritius DTA))	Yes

Reference to the legislation	Topics	Examinable
First Schedule	<i>Farming operations</i>	No
Second Schedule	Computation of gross income derived by way of lump sum benefits (excluding divorce orders granted prior to 1 March 2012) <i>Par 1 “public sector fund”; Par (b) of the definition of “pension fund” and par (b) of the definition of “provident fund”; Par 2A, 3B, 5(1)(e) and 6(1)(b)(v).</i>	Yes No
Fourth Schedule	Amounts to be deducted or withheld by employers and provisional payments in respect of normal tax <i>Exclusions (aa), (bb), (cc), (dd) Item A, and (ee) of the definition of “provisional taxpayer” & par (d), (f), (g)(i), (ii) & (iv) of the definition of “remuneration” in par 1.</i>	Yes No
Sixth Schedule	<i>Determination of turnover tax payable by micro businesses</i>	No
Seventh Schedule	Benefits or advantages derived by reason of employment or the holding of any office (<i>repurchase rate, relevant “retail market value” and par 12D cash equivalent of the fringe benefit value will be given</i>) <i>Paragraphs 2(m) and 12E (Contribution to bargaining council)</i>	Yes No
Eighth Schedule	Determination of taxable capital gains and assessed capital losses. <i>Paragraph 31 market values will be given.</i>	Yes
Par. 1	<i>“value shifting arrangement”</i>	No
Par 12A(5)	<i>Pre-valuation date assets</i>	No
Par 19	<i>Losses on the disposal of certain shares</i>	No
Par. 20A	<i>Provisions relating to farming development expenditure</i>	No
Par. 23	<i>Base cost in respect of a value shifting arrangement</i>	No
Par. 24	<i>Base cost of an asset of a person who becomes a resident on or after valuation date</i>	No
Par. 25 to 30	<i>Pre-valuation date assets</i>	No
Par 35(2)	<i>Value shifting arrangement</i>	No
Par. 35A	<i>Disposal of certain debt claims</i>	No
Par. 36	<i>Disposal of partnership asset</i>	No
Par. 37	<i>Assets of trusts and company</i>	No
Par 38(2)	<i>(a), (b), (c) & (f) that link to s8A, 8B, 10(1)(nE) & 37D</i>	No
Par. 40	<i>Disposal to and from deceased estate</i>	No
Par. 41	<i>Tax payable by heir of deceased estate</i>	No
Par. 42	<i>Short-term disposal and acquisitions of identical financial instruments</i>	No
Par 43(7)	<i>“local currency” par (b), (c) & (d)</i>	No
Par. 43A	<i>Dividends treated as proceeds on disposal of shares</i>	No
Par. 43B	<i>Base cost of assets of controlled foreign companies</i>	No
Par. 51 & 51A	<i>Transfer of residence from company or trust</i>	No
Par. 57A	<i>Disposal of micro business assets</i>	No
Par. 63A, 63B, 64 & 64A	<i>PBO’s, Small business funding entities and assets used to produce exempt income</i>	No
Par. 64B(2) - (6)	<i>Disposal of interest in equity share capital of foreign co.</i>	No
Par 64C	<i>Disposal of restricted equity instruments</i>	No
Par 64D	<i>Land donated in terms of land reform measures</i>	No
Par 64E	<i>Disposal by trust in term of share incentive scheme</i>	No
Par. 65B	<i>Disposals by recreational clubs</i>	No
Par. 67B, C & D	<i>Share block companies, Mineral rights and Communications Licence conversions</i>	No

Reference to the legislation	Topics	Examinable
Par 68(1)	Attribution of capital gain to spouse	No
Par 71	Attribution of capital gain subject to revocable vesting	No
Par 72	Foreign trusts and non-resident beneficiaries	No
Par. 76 and 76A	Return of capital prior to 1 April 2012	No
Par. 76B(1)	Pre-valuation date shares	No
Par. 80(2A), (3) & (4)	Foreign trusts	No
Par. 83	Insolvent estate of a person	No
Ninth Schedule	Public benefit activities	No
Tenth Schedule	Oil and gas activities	No
Eleventh Schedule	Government grants exempt from normal tax	No

Value-Added Tax Act		
1	Definitions (It will be stated if a service is an “electronic service” or a person is an “intermediary”.) “association not for gain”, “Controller”, “customs authority”, customs controlled area, customs controlled area enterprise, designated entity, par (b)(i) – (v) of the definition of “enterprise”, proviso (vi), (viii), (x), (xi), (xii), (xiii) & (xiv) to the definition of “enterprise”, paragraph (d) of the definition of “exported”, foreign donor funded project”, “grant”, “inbound insurance policy”, “international journey”, “licenced customs and excise storage warehouse”, “outbound insurance policy”,	Yes No
2	Financial services, only debt security (c), issue, allotment or transfer of ownership of an equity security (d), provision of credit (f), provision of long-term insurance (i) and the issue, acquisition, collection, buying or selling or transfer of ownership of any cryptocurrency (o). Rest of section	Yes No
3	Determination of ‘open market value’	Yes
4 - 6	Administration	No
7	Imposition of value-added tax	Yes
	7(3)	No
8	Certain supplies of goods or services deemed to be made or not made 8(2A) – (2G), (5), (5A), (5B), (6), (13), (13A), (14)(b), (14A), (17) – (20), (22) – (24), the further proviso to (25),(26) & (28)	Yes No
8A	Sharia compliant financing arrangements	No
9	Time of supply 9(2)(d), (3)(e) & (f), 9(9), 9(10) and 9(11)	Yes No
10	Value of supply of goods or services 10(4A), (8), (14), (17), (17A), (21A), (22B), (24), (25) & (27)	Yes No
11(1)	Zero-rating (supply of goods) 11(1)(a)(ii), (b) - (d), (f), (g), (hA), (m), (mA), (n), (p), (r)- (v)	Yes No
11(2)	Zero-rating (supply of services) 11(2)(g), (h), (j), (m), (n), (q), (s), (t), (u), (v), (x), (y)	Yes No
11(3)	Principle	Yes

Reference to the legislation	Topics	Examinable
Value-Added Tax Act (continued...)		
12	Exempt supplies Sub-sections (b), (d), (e), (f), (k), (l) & (m)	Yes No
13	Collection of tax on importation of goods, determination of value thereof and exemptions from tax 13(5) & (6) 13(2B) Value will be provided	Yes No
14	Collection of value-added tax on imported services, determination of value thereof and exemptions from tax 14(4)	Yes No
15	Accounting basis 15(2)(a), 15(2A), (3) – (9)	Yes No
16	Calculation of tax payable (excluding broad area exclusions, e.g. prizes and gambling)	Yes
17	Permissible deductions in respect of input tax 17(2)(a)(ix) & 17(2)(d)	Yes No
18	Change in use adjustments (excluding turnover tax provisions and 18(4)(a), 18(9) & 18(10))	Yes
18A	Adjustments in consequence of acquisition of going concern wholly or partly for purposes other than making taxable supplies	Yes
18B	Temporary letting of residential fixed property	No
18C	Adjustments for leasehold improvements	Yes
18D	Temporary letting of residential property	Yes
19	Goods or services acquired before incorporation	Yes
20	Tax invoices	Yes
21	Credit and debit notes	Yes
22	Irrecoverable debts	Yes
23	Registration of persons making supplies in the course of enterprises 23(2A), (3)(b)(ii)(AA), (3A) & (5)	Yes No
24	Cancellation of registration	Yes
25	Vendor to notify change of status	No
26	Liabilities not affected by person ceasing to be vendor	No
Part IV Returns, Payments and Assessments		
27	Tax period (category will be given) 27(2) – (5)	Yes No
28 & 29	Returns and payments of tax; Special records and payments	No
31	Assessments	No
32	Part V: Objections to certain decisions or assessments	Yes
38 – 46	Part VI and Part VII	No
Part VIII Special Provisions		
50	Separate enterprises, branches and divisions 50(1) Proviso	Yes No
50A	Separate persons carrying on same enterprise under certain circumstances deemed to be single person	Yes
51	Bodies of persons, corporate or un-incorporate (other than companies)	No
52	Pooling arrangements	No
53	Death or insolvency of vendor (excluding insolvency)	Yes

Reference to the legislation	Topics	Examinable
Value-Added Tax Act (continued...)		
54	Agents (excluding auctioneers) <i>(It will be clear from the information that there is an agent/principal relationship)</i> 54(2A)(b)	Yes No
55 - 87	Parts IX and X (Compliance and Miscellaneous) <i>(except for sections 64 & 65)</i>	No
64 & 65	Prices deemed to include tax and prices advertised of quoted	Yes
Schedule 1	Exemption: Certain Goods Imported in the Republic	No
Schedule 2	Part A	No
Schedule 2	Part B (Zero rate: Supply of goods consisting of certain foodstuffs)	Yes
Schedule 2	Part C (section 11(1)(w))	Yes

Estate Duty Act		
1	Definitions	Yes
2	Levy of estate duty	Yes
3	What constitutes an estate	Yes
4	Net value of an estate	Yes
4A	Dutiable amount of an estate	Yes
5	Determination of value of property <i>(Value of limited interests in property and annuities will be given)</i>	Yes
6 - 32	<i>Administrative provisions</i>	No
	Except for:	
11	Person liable for duty	Yes
13	Right of recovery by executor	Yes
15	Recovery of duty paid in certain cases	Yes
16(c)	Deduction of foreign death duties	Yes
20	Expenditure incurred by executor	Yes
First Schedule	Rate of estate duty <i>Rapid succession</i>	Yes No

Transfer Duty Act – only the listed sections		
2(1)(b)	Imposition of Transfer Duty <i>(value of the property will be given)</i>	Yes
9	Only the following exemptions: 9(1)(e), (i) & (l), 9(15) & (15A)	Yes

Securities Transfer Tax Act – only the listed section		
2	Imposition of tax <i>(the taxable amount will be given)</i>	Yes
8	Only the following exemptions: 8(1)(a), (h), (j), (n) & (r)	Yes

Reference to the legislation	Topics	Examinable
Tax Administration Act – only the listed sections		
	Chapter 1: Definitions	
1	“business day”, “date of assessment”, self-assessment” <i>All other definitions</i>	Yes No
2 - 21	Chapter 2: General administration provisions	No
	Chapter 3: Registration	
22	Registration requirements	Yes
23 - 24	<i>Communication of change in particulars; Taxpayer reference number</i>	No
	Chapter 4: Returns and records	
25 - 28	<i>Submission of return, Third party returns, Other returns required, Statement concerning accounts</i>	No
29	Duty to keep records	Yes
30 - 33	<i>Form of records kept or retained, Inspection of records, Retention period in case of audit, objection or appeal, Translation</i>	No
34 - 39	<i>Reportable Arrangements</i>	No
40 - 66	Chapter 5: Information gathering	No
67 - 74	Chapter 6: Confidentiality of information	No
75 - 90	Chapter 7: Advance rulings	No
	Chapter 8: Assessments	No
91 - 93	Original, additional & reduced assessments	Yes
94 - 98	<i>Jeopardy, estimation of, notice of, recording of, withdrawal of assessments</i>	No
99	Period of limitation for issuance of assessments	Yes
100	<i>Finality of assessment or decision</i>	No
	Chapter 9: Dispute resolution	
101	<i>Definitions</i>	No
102	Burden of proof	Yes
103	<i>Rules for dispute resolution</i>	No
104	Objection against assessment or decision Government Gazette 37819 (Notice 550): "day" means a "business day" as defined in section 1 of the TAA and Rule 6 & 7 will be printed in the SAICA Student	Yes
105 - 150	<i>Objection and Appeal, Tax Board, Tax Court, Appeal Against Tax Court Decision & Settlement of Dispute</i>	No
	Chapter 10: Tax liability and payment	
151 – 163 & 165 - 168	<i>Taxpayers, Payment of tax, Taxpayer Account and allocation of payments, deferral of payment</i>	No
164	Payment of tax pending objection or appeal	Yes
	Chapter 11: Recovery of tax	No
169 – 178	<i>Parts A, B & C</i>	No
	<i>Part D: Collection of Tax Debt from Third Parties</i>	No
179	<i>Liability of third party appointed to satisfy tax debts</i>	No
180	Liability of financial management for tax debt	Yes
181 - 182	<i>Liability of shareholders & transferee for tax debts</i>	No
183	<i>Liability of persons assisting in dissipation of assets</i>	No
184	<i>Recovery of tax debts from other persons</i>	No
185	<i>Part E: Assisting Foreign Governments</i>	No
186	<i>Part F: Remedies with respect to Foreign Assets</i>	No

Reference to the legislation	Topics	Examinable
Tax Administration Act (continued)		
187 - 189	Chapter 12: Interest	No
190 - 191	Chapter 13: Refunds	No
192 - 207	Chapter 14: Write off or compromise of tax debts	No
208 – 220	Chapter 15: Administrative non-compliance penalties <i>Reportable arrangement and mandatory disclosure penalty</i>	Yes No
	Chapter 16: Understatement penalty	
221 – 224	Part A: Imposition of Understatement Penalty	Yes
225 - 233	<i>Part B: Voluntary Disclosure Programme</i>	No
	Chapter 17: Criminal offences	
234	Criminal offences relating to non-compliance with tax Acts	Yes
235	Evasion of tax and obtaining undue refunds by fraud or theft	Yes
236	Criminal offences relating to secrecy provisions	Yes
237	Criminal offences relating to filing return without authority	Yes
238	Jurisdiction of courts in criminal matters	Yes
239 - 243	Chapter 18: Registration of Tax Practitioners and Reporting of unprofessional conduct	Yes
244 - 257	Chapter 19: General provisions	No
258 - 272	Chapter 20: Transitional provisions	No

4. Principles from case law

The following principles apply for a court case to appear on the list:

- Court cases clarifying terminology within the Income Tax Act and VAT Act in respect of any Examinable Tax Provision
- Court cases changing prevailing practice and or interpretation of any examinable tax provision

Any new additions to the list must be Supreme Court of Appeal Cases only – based on the above principles (i.e. only *ratio decidendi* principles – not obiter dictum).

It is up to each academic to decide which additional cases will be used as teaching aids. Marks will only be awarded for principles from these cases when relevant to a discussion. No marks will be awarded for the case names.

Relevant to the definition of “gross income” in s1(1)	
Words or phrase considered	Name of the court case
resident	Cohen v CIR CIR v Kuttel
amount	C:SARS v Brummeria Renaissance (Pty) Ltd CIR v Butcher Bros (Pty) Ltd
from a source within ...the Republic	CIR v Lever Brothers and Unilever Ltd
accrued to	CIR v People’s Stores (Walvis Bay) (Pty) Ltd CIR v Witwatersrand Association of Racing Clubs CIR v Lategan Mooi v SIR
received by	Geldenhuis v CIR MP Finance Group CC (In Liquidation) v C:SARS Pyott Ltd v CIR
of a capital nature – intention of company	C:SARS v Capstone 556 (Pty) Ltd (excluding transaction/scheme details)
of a capital nature – scheme of profit-making	CIR v Pick ‘n Pay Employee Share Purchase Trust
of a capital nature – mixed or dual intention	CIR v Stott CIR v Nel
of a capital nature – change in intention	CIR v Nussbaum Natal Estates Ltd v SIR C:SARS v Founders Hill (Pty) Ltd John Bell & Co (Pty) Ltd v SIR
of a capital nature – the nature of the ‘asset’	CIR v George Forest Timber Co Ltd CIR v Nel
Damages and compensation	WJ Fourie Beleggings v C:SARS Stellenbosch Farmers’ Winery Limited v C:SARS (25 May 2012)
the legality or otherwise of the business productive of Income	CIR v Delagoa Bay Cigarette Co Ltd MP Finance Group CC (in liquidation) v C:SARS

Relevant to section 11(a)	
Words or phrase considered	Name of the court case
Requirements in general and if income must be earned in the same year	Sub-Nigel Ltd v CIR
carrying on a trade	Burgess v CIR C:SARS v Scribante Construction (Pty) Ltd
in the production of income	Port Elizabeth Electric Tramway Co Ltd v CIR Joffe & Co (Pty) Ltd v CIR C:SARS v BP South Africa (Pty) Ltd BP Southern Africa (Pty) Ltd v CSARS (2007) Provider v COT CSARS v Mobile Telephone Networks Holdings (Pty) Ltd
Expenditure actually incurred	Edgars Stores Ltd v CIR Nasionale Pers Bpk v KBI CIR v Golden Dumps (Pty) Ltd C:SARS v Labat
not of a capital nature	New State Areas Ltd v CIR Rand Mines (Mining & Services) Ltd v CIR CSARS v BP South Africa (Pty) Ltd (2006)

Clarifying terminology/concepts in other section/provisions

Section 7	“by reason of” “gratuitousness”	CIR v Berold C:SARS v Wouldidge (2002 decision)
Section 11(d)	“repair”	Flemming v KBI CIR v African Products Manufacturing Co Ltd
Section 20	“carrying on of trade”	SA Bazaars (Pty) Ltd v CIR Robin Consolidated Industries v CIR
Section 22	“trading stock” “decrease in market value”	Ernst Bester Trust v C:SARS C:SARS v Volkswagen SA (Pty) Ltd (2018)
Section 23(g)	“for purposes of trade”	Warner Lambert SA (Pty) Ltd v C:SARS
Section 23H	“benefit extends beyond year of assessment”	Telkom SA SOC Limited v C:SARS (2020)
Section 24C	“in terms of a contract”	Clicks Retailers (Pty) Ltd v C:SARS (2021)
Seventh Schedule (par 2(e) or (h))	“private benefit/use”	BMW South Africa (Pty) Ltd v CSARS
VAT	Recoveries	C:SARS v British Airways PLC