

TAX RATES AND ALLOWANCES

The following tax rates and allowances are to be used in answering the questions.

Year ending 28 February 2009

Rebates	
Primary rebate	R8,280
Secondary rebate (Over 65)	R5,040
Interest exemption	
Under 65	R19,000
Over 65	R27,500
Companies	
Normal tax rate	28%
STC rate	10%
Donations tax	20%
Estate duty	20%
Trusts (other than a special trust)	40%

Rates of normal tax payable by persons (other than companies) In respect of the year of assessment ending 28 February 2009

Where the taxable income

does not exceed R122 000	18 % of each R1 of the taxable income
exceeds R122 000 but does not exceed R195 000	R21 960 plus 25 % of the amount over R122 000;
exceeds R195 000 but does not exceed R270 000	R40 210 plus 30 % of the amount over R195 000;
exceeds R270 000 but does not exceed R380 000	R62 710 plus 35 % of the amount over R270 000;
exceeds R380 000 but does not exceed R490 000	R101 210 plus 38 % of the amount over R380 000;
exceeds R490 000	R143 010 plus 40 % of the amount over R490 000

Tax rates for small business corporations for year of assessment ending 28 February 2009

R0 - R46,000	Nil
R46,001 - R300,000	10 % of the amount over R46,000
R300,001 and above	R25,400 + 28% of the amount over R300,000

Medical tax-free monthly contributions:

Single member	570
Member plus one dependent	1,140
Each additional dependent	345
SARS official rate	12%

Capital gains tax:

Annual exclusion	R16,000
Primary residence exclusion	R1,500,000
Inclusion rate (natural persons)	25%
(companies)	50%

Time apportionment formula: $Y = B + [(P - B) \times N / (T + N)]$

Travel allowance table

For years of assessment commencing on or after 1 March 2008

Value of the vehicle (including VAT but excluding finance charges or interest)		Fixed Cost	Fuel Cost	Maintenance Cost
R		R p.a.	c/km	c/km
0	- 40 000	14 672	58.6	21.7
40 001	- 80 000	29 106	58.6	21.7
80 001	- 120 000	39 928	62.5	24.2
120 001	- 160 000	50 749	68.6	28.0
160 001	- 200 000	63 424	68.8	41.1
200 001	- 240 000	76 041	81.5	46.4
240 001	- 280 000	86 211	81.5	46.4
280 001	- 320 000	96 260	85.7	49.4
320 001	- 360 000	106 367	94.6	56.2
360 001	- 400 000	116 012	110.3	75.2
Exceeds	400 000	116 012	110.3	75.2

Notes:

Where reimbursement is based on actual business kilometres travelled, no other compensation is paid to such employees and the kilometres travelled for business does not exceed 8 000, prescribed rate is R2.92 per kilometre.

**Tax rates of normal tax retirement lump sum benefits
in respect of the year of assessment ending 28 February 2009**

Not exceeding R300,000	18 % of each R1 of the taxable income
Exceeding R300,000 but not exceeding R600,000	R54,000 plus 27% of the taxable income exceeding R300,000;
Exceeding R600,000	R135,000 plus 36% of the taxable income exceeding R600,000;

RATING FORMULA

$$R = \left[\frac{F}{B + D - (C + L + G)} \right]$$

$$Y = \left[\frac{A}{B + D - (C + L)} \times (B - L) \right] + (L \times R)$$