

SUPPLEMENTARY INSTRUCTIONS

1. You should assume that the tax rates and allowances shown below will continue to apply for the foreseeable future.
2. Calculations and workings need only be made to the nearest US\$1.
3. All workings should be shown.
4. All apportionments should be made to the nearest month.

TAX RATES AND ALLOWANCES

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

Rates –Individuals Effective 1 February 2009 to 31 December 2009

Taxable income band	Rate of tax	Amount within band	Cumulative income tax liability
US\$	%	US\$	US\$
Up to 1 650	0	1 650	0
1 651 to 5 500	20	3 850	770
5 501 to 11 000	25	5 500	2 145
11 001 to 16 500	30	5 500	3 795
16 501 to 33 000	35	16 500	9 570
33 001 and over	37.5		

Pension Contributions (effective from 1 February 2009)

	Maximum permissible deduction
	2009
	US\$
In relation to employers:	
Contribution to employer's pension fund per employee	3 300
In relation to employees	
Contribution to employer's pension fund	3 300
Contribution to retirement annuity fund / Self employed pension fund	3 300
National Social Security	4%
Aggregate contributions to all above	3 300

Credits (effective from 1 February 2009)

	2009
	US\$
Elderly person	825*
Physically disabled person	825*
Blind Person	825*
Medical Aid and expenses	50% of amount paid in each year.

* Amount reduced proportionately if period of assessment is less than a year

Motoring Benefits (effective from 1 February 2009)

	2009
	US\$
Engine capacity	Total deemed benefit for 11 months
Up to 1500cc	550
1501 – 2000cc	660
2001 – 3000cc	880
3001 and above	1 100

Capital Allowances

	2008	2009
Special initial allowance	50%	50%
Accelerated wear and tear	25%	25%

Wear and tear (immovable property: on cost; movable assets: reducing balance)

Industrial building	5%	5%
Commercial building	2.5%	2.5%
Motor vehicles	20%	20%
Movable assets in general	10%	10%

Corporation Tax

Basic tax rate	30%
Aids Levy on tax payable	3%

Value Added Tax

Basic tax rate	15%
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Capital Gains Tax

Gains on disposal of marketable securities	20%
Gains disposal of immovable property	20%
Gains by persons over 55 years on disposal of principal private residence	0

Capital gains withholding tax on sale proceeds

Immovable property	15%
Marketable securities (listed)	5%
Marketable securities (Unlisted)	10%

Note: the withholding tax is not final on the seller. Actual liability is assessed in terms of the Capital Gains Tax Act.