

TAX RATES | 2018

SOUTH AFRICA

A	Companies	
1	Resident companies	
	Corporate tax rates	<ul style="list-style-type: none"> ■ 28% standard rate ■ 28% top rate for small business companies ■ 30% long-term insurance (individual Policyholder fund) ■ Gold mining: variable
	Tax base	<ul style="list-style-type: none"> ■ Worldwide
	Capital gains	<ul style="list-style-type: none"> ■ 66.6% of net gains part of business income
B	Individuals	
1	Resident individuals	
	Income tax rates	<ul style="list-style-type: none"> ■ Progressive ■ Top rate 45% (over ZAR 1,500,000)
	Capital gains	<ul style="list-style-type: none"> ■ 40% of net gains included in taxable income ■ Certain gains taxed at separate rates
2	Non-resident individuals	
	Income tax rates	<ul style="list-style-type: none"> ■ Progressive ■ Top rate 45% (over ZAR 1,500,000)
	Capital gains (sale of shares in resident companies)	<ul style="list-style-type: none"> ■ Yes, if shares are in a property owning company: <ul style="list-style-type: none"> ■ (i) non-resident company holds equity $\geq 20\%$; and ■ (ii) 80% or more of the subsidiary's market value of net assets consists of immovable property in South Africa; ■ 40% of the net gains on these shares will be part of business income
	Final withholding tax rates	
	Employment income	<ul style="list-style-type: none"> ■ Regular wage withholding applies
	Dividends	<ul style="list-style-type: none"> ■ 20%
	Interest	<ul style="list-style-type: none"> ■ 15%
	Royalties	<ul style="list-style-type: none"> ■ 15%
	Fees (technical)	<ul style="list-style-type: none"> ■ No
	Fees (directors)	<ul style="list-style-type: none"> ■ No
C	Turnover taxes	
	VAT/GST (standard)	<ul style="list-style-type: none"> ■ 14% (15% from 1 April 2018)
	VAT/GST (reduced)	<ul style="list-style-type: none"> ■ 0%
	VAT/GST (increased)	<ul style="list-style-type: none"> ■ No