

TAX SEASON 2024

15 JULY 2023



**No worries, we are
here to help!**

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Income tax return filing dates

Auto assessments: 1 July 2024 to 14 July 2024

Individual taxpayers: 15 July 2024 to 21 October 2024

Provisional taxpayers: 15 July 2024 to 20 January 2025

Trusts: 16 September 2024 to 20 January 2025

What are the changes this year?

Solar Rebate

To encourage individuals to invest in clean electricity-generation capacity, the solar energy tax credit was available for one year. It applied to new and unused solar PV panels that were acquired by the individual and brought into use for the first time from 1 March 2023 to 29 February 2024.

The amount of the solar energy tax credit allowed as a deduction to an individual under section 6C was 25% of the cost of the solar PV panels described above, up to a maximum of R15 000.

It should be noted that a deceased estate does not qualify for the solar energy tax credit.

- **Pro-rata deduction in respect of contributions to Retirement Funds**

Section 11F(2)(a) of the Income Tax Act No 58 of 1962 was amended as follows: Where any person's year of assessment is less than 12 months, the amount stipulated in section 11F(2)(a) of the Act used to calculate the allowable retirement contribution deduction (currently R350 000) shall be adjusted. The adjusted amount will bear the same ratio to R350 000 as the number of days in that year of assessment bears to 365 days. Therefore, if any person's year of assessment is less than 12 months, the allowable retirement contribution deduction (currently R350 000) will be applied pro rata.

- **Exemption of amounts received or accrued in respect of tax-free investments**

Section 12T(4)(a) of the Income Tax Act was amended as follows: Where any person's year of assessment is less than 12 months, the contribution limitation stipulated in section 12T(4)(a) of the Act (currently R36 000), shall be adjusted. The adjusted contribution limitation will apply in aggregate for any year or years of assessment during the 12-month period commencing in March and ending at the end of February of the immediately following calendar year. Therefore, if any person's year of assessment is less than 12 months, the applicable contribution limitation (currently R36 000) will be applied pro rata.

- **ITR12 Form changes – Beneficial Owner (BO)**

For 2024 Filing Season changes, the taxpayer would complete the Details of Partners (excluding yourself) on ITR12 where applicable to align with the Beneficial Owner requirement.

Definition of “Beneficial Owner” as extracted from the Tax Administration Act, 2011:

(a) of a company, has the meaning assigned to it by section 1 of the Companies Act, 2008 (Act No. 71 of 2008).

(b) of a partnership, means a natural person who, directly or indirectly, ultimately owns, or exercises effective control of, the partnership, and includes—

(i) every partner, including every member of a partnership en commandite, an anonymous partnership or any similar partnership;

(ii) if a partner in the partnership is a legal person or a natural person acting on behalf of a partnership or in pursuance of the provisions of a trust agreement, the beneficial owner of that legal person, partnership or trust; and

(iii) the natural person who exercises executive control over the partnership; and

- **ITR12 Form changes – Beneficial Owner (BO)**

(c) of a trust, has the meaning assigned to it by section 1 of the Trust Property Control Act, 1988 (Act No. 57 of 1988);”.

BO is crucial for tax administration because it helps ensure transparency and accountability in financial transactions.

By identifying the individuals who ultimately benefit from an asset or income, tax authorities can accurately determine tax liabilities and prevent tax evasion, which information may also assist other competent authorities in the investigation of money laundering, and other illicit activities.

Furthermore, BO information facilitates international cooperation and exchange of tax-related information among jurisdictions.

This cooperation is crucial in detecting and addressing cross-border tax evasion and ensuring that taxpayers fulfil their obligations in the appropriate jurisdictions.

**Please visit our website
www.fouriefinancialservices.co.za
for all the new information and
documents on Tax Season 2024
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