



## Deloitte School of Tax & Legal Tax Update – Draft Bills 2019

We have the pleasure of inviting you to our Tax Update covering the key **proposed amendments** to be introduced in terms of the **Draft Taxation Laws Amendment Bill, 2019** as well as the key proposed amendments to be introduced in terms of the **Draft Tax Administration Laws Amendment Bill, 2019**.

The purpose of the workshop is to create an awareness of the key **proposed amendments** in terms of these Draft Bills and their impact, as well as to convey when each selected amendment is cited to become effective. This will allow participants to note which particular amendments could affect their business, from what date, and to then plan accordingly in further detail.

The workshop is not a detailed technical dive into each of the proposed amendments covered, but will cover the following selected key information:

1. A high-level discussion on the background of the section or paragraph discussed.
2. The reason for the amendment.
3. The impact of the amendment.
4. The effective date of the amendment.
5. Any particular insight or comment we have on the amendment.

The agenda for the workshop is as follows:

Topic	Content	Timing
Registration		08:00 a.m. – 08:30 a.m.
Individuals, savings and employment	<ul style="list-style-type: none"> <li>• Extending the scope of amounts constituting variable remuneration</li> </ul> <p><b>Retirement Reform</b></p> <ul style="list-style-type: none"> <li>• Aligning the effective date of tax neutral transfers between retirement funds with the effective date of all retirement reforms</li> <li>• Exemption relating to annuities from a Provident or Provident Preservation Fund</li> <li>• Tax treatment of bulk payments to former members of closed funds</li> <li>• Reviewing the tax treatment of surviving spouse pensions</li> </ul> <p><b>Employment Tax Incentives (ETI)</b></p> <ul style="list-style-type: none"> <li>• Updating the ETI to align with the national minimum wage</li> <li>• Clarifying the interaction between the ETI and the SEZ provisions</li> </ul> <p><b>Fourth Schedule</b></p> <ul style="list-style-type: none"> <li>• Clarifying the penalty that is imposed when an employer submits an incomplete return</li> <li>• Imposition of underestimation penalty (for purposes of provisional tax) in the case of death</li> </ul>	08:30 a.m. – 09:15 a.m.
Income Tax: Business	<p><b>Dividend stripping</b></p> <ul style="list-style-type: none"> <li>• Addressing abusive arrangements aimed at avoiding the anti-dividend stripping provisions</li> </ul> <p><b>Value-shifting rules</b></p> <ul style="list-style-type: none"> <li>• Clarifying the effect of deferred tax on the application of value-shifting rules</li> <li>• Clarification of the interaction of the value-shifting rules and the deemed expenditure incurral rules for assets acquired in exchange for the issue of shares</li> </ul> <p><b>Special interest deduction for debt funded share acquisitions</b></p> <ul style="list-style-type: none"> <li>• Clarifying the exclusion from claiming interest deduction for debt finance acquisitions for start-up businesses</li> <li>• Amending the special interest deduction rules in respect of share acquisitions funded by debt to allow for deductions after an unbundling transaction</li> </ul>	09:15 a.m. – 10:40 a.m.

Tea – 20 Minutes

Income Tax: Business (session continues)	<b>Corporate reorganisation rules</b> <ul style="list-style-type: none"> <li>Clarifying the tax treatment of transfer of interest bearing instruments in terms of corporate reorganisations</li> <li>Clarifying the tax treatment of transfer of exchange items in terms of corporate reorganisations</li> <li>Harmonising the timing of degrouping charge provisions for intra-group transactions and controlled foreign company rules</li> <li>Amending the corporate reorganisation rules to cater for company deregistration by operational law</li> </ul>	11:00 a.m. – 11:30 a.m.
Income Tax: Financial Institutions & Products	Clarification of the interaction between corporate reorganisation rules and REITs tax regime	11:30 a.m. – 11:35 a.m.
Income Tax: Incentives	Reviewing the allowable deduction for investors investing in a Venture Capital Company	11:35 a.m. – 11:40 a.m.
Income Tax: International	<b>Controlled Foreign Companies (CFC)</b> <ul style="list-style-type: none"> <li>Reviewing the comparable tax exemption</li> <li>Addressing circumvention of CFC anti-diversionary rules</li> <li>Reviewing the definition of permanent establishment</li> <li>Clarification of the qualifying criteria for domestic treasury management company</li> <li>Reviewing of the “affected transaction” definition in the arm’s length transfer pricing (TP) rules</li> <li>Clarification of the interaction of capital gains tax (CGT) and foreign exchange transaction rules</li> </ul> <b>Withholding taxes (WHT)</b> <ul style="list-style-type: none"> <li>Alleviating the administrative burden iro the exemption to withhold tax on royalties or interest where multiple transactions occur with a single person</li> <li>Liability to withhold tax iro dividends paid on tax free investments</li> </ul>	11:40 a.m. – 12:15 a.m.
Value-Added Tax	<ul style="list-style-type: none"> <li>Refining the VAT corporate reorganisation rules</li> <li>Reviewing section 72 of the VAT Act</li> </ul>	12:15 a.m. – 12:20 p.m.
Tax Administration	<ul style="list-style-type: none"> <li>SARS’ right to set off refunds against outstanding tax debts</li> <li>SARS’ right to make assessment based on estimate if no return filed</li> <li>Mandatory Disclosure Rules</li> <li>Erroneous, incomplete or false document submitted to SARS is subject to criminal sanction</li> <li>De minimis amount of outstanding tax debt that will contribute to a taxpayer’s tax compliance status as non-compliant</li> </ul>	12:20 p.m. – 12:30 p.m.

Wrap-up and questions - 10 Minutes

Facilitator:

**Ronel de Kock**

Ronel has over 20 years' experience in Auditing and Taxation, specialising over the years in education and training of Auditing and Taxation. Ronel is a qualified Chartered Accountant with a Master's Degree in Taxation. She is a Senior Manager in the Deloitte School of Tax & Legal. Her main responsibilities are the development and presentation of tax technical training to Deloitte clients and Deloitte staff.

Dates and Venues:

Cape Town	16 September 2019
Port Elizabeth	17 September 2019
Durban	18 September 2019
Pretoria	20 September 2019

R1 886 (inclusive of VAT)/R1 640 (exclusive of VAT)

Payment is due after the seminar date.

Company Discount: 10% for 2 or more participants from the same company and region. The discount applies from participant 2 onwards.

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Cancellation Policy:

Our standard cancellation policy is to invoice 50% of the cost of the workshop, for attendance not cancelled at least 2 business days prior to the workshop date. This is to recover the overhead costs incurred relating to your planned attendance and the cost of the course material.

Time:

8:30 a.m. – 12:30 p.m.  
(Registration from 8:00)

The course will contribute to **4 hours CPD/CPE**

RSVP:

Please complete the attached excel booking document and return it in excel format to [dsot@deloitte.co.za](mailto:dsot@deloitte.co.za)

Course Material:

In the interests of the environment, and to move with technology, this will be a paperless course. We will email you the course material within 2 business days of the planned session date. You will then have the option to bring the course material on your laptop/tablet, or should you prefer, to print the material. We will have plug points in the venues for laptops/tablets

Contact us:

Should you have any administrative questions regarding this workshop, please contact us at [dsot@deloitte.co.za](mailto:dsot@deloitte.co.za)

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