Non-Typographical Changes from Bill 22 to Bills 24 and 25

1. Section 8B of the Income Tax Act: Revise the definition of “date of grant” so that the 5 year period is measured from the date the directors of the employer company, rather than the company issuing the shares, approve the granting of shares
2. Section 8F of the Income Tax Act: Revise the definition of “date of issue” to clarify that the date on which an instrument becomes convertible into or exchangeable for a share could be any time in the future.
3. Section 8F of the Income Tax Act: Revise the exclusion for instruments issued by a listed company to ensure that only listed instruments, and not privately issued “over the counter” instruments, are excluded from the definition of “hybrid debt instrument”.
4. Section 9B of the Income Tax Act: Revise the proposed amendment to ensure that the section remains applicable only to listed shares of listed companies, as is currently the case.
5. Section 24M of the Income Tax Act: The change to subsection 4(*a*), which extended the provision to all depreciable assets, was erroneously duplicated in subsection 2(*a*). The original wording of the draft Bill is restored in subsection 2(*a*).
6. Section 24M of the Income Tax Act: Change the date amendment takes effect from years of assessment commencing from 1 January 2005 to the date of promulgation of the Amendment Act.
7. Section 30 of the Income Tax Act: Revise the proposed amendment to ensure that PBO investments in listed companies are limited to listed shares, as is currently the case.
8. Section 45 of the Income Tax Act: Clarify that the deemed disposal of an asset in the case of degrouping will be for an amount equal to its market value on degrouping.
9. Section 64B(3A) of the Income Tax Act: Provide that the amendment to allow credit for foreign dividends distributed from certain mining and South African branch/agency profits will come into effect from the date of promulgation of the Amendment Act and apply to any dividend declared from that date.
10. Section 103(5) of the Income Tax Act: As the abuse being dealt with in this section relates to the cession of instruments, the date the provision takes effect is linked to cession, rather than the issue or acquisition of the relevant financial instruments.
11. Paragraph 2B of the Second Schedule to the Income Tax Act: Clarify that the reference to “that person” is to the member of the retirement fund.
12. Paragraph 25(2) of the Eighth Schedule to the Income Tax Act: Correct the provision to ensure that the redetermined capital gain or loss is taken into account in the current year in terms of paragraphs 3 and 4 and not in the subsequent year.
13. Section 22 of the Stamp Duties Act: Align the date the proposed amendment will come into effect with that of other provisions dealing with the imposition of stamp duties on leases.
14. Item 15 of Schedule 1 to the Stamp Duties Act: Withdraw a duplicated amendment to paragraph (3)*(h)*.
15. Item 15 of Schedule 1 to the Stamp Duties Act: Withdraw the proposed deletion of paragraph 3*(p),* which was deleted in 2003.
16. Item 15 of Schedule 1 to the Stamp Duties Act: Add rules for the continuation of the imposition of stamp duties in respect of marketable securities in respect of which the charging provision is being deleted.
17. Section 2 of the VAT Act: Clarify that the definition of “derivative” refers to the defined term used in Statement AC133 of GAAP.
18. Section 1 of the UST Act: Align the date that the proposed changes to the definitions of “member” and “participant” come into effect with that of other changes relating to the Securities Services Act, 2004.