



April 2017

## 2017/2018 BUDGET SPEECH SUMMARY OF TAXES APPLICABLE TO PROPERTY LAW

### Transfer Duty payable on purchase price

R0	– R 900 000	0%
R 900 001	– R 1 250 000	3% on the value from R900 001 to R1250 000
R 1 250 001	– R 1 750 000	flat rate of R10 500 plus 6% on the value from R1 250 001 to R1 750 000
R 1 750 001	– R 2 250 000	flat rate of R40 500 plus 8% on the value from R1 750 0001 to R2 250 000
R 2 250 001	– R10 000 000	flat rate of R80 500 plus 11% on the value from R2 250 000 to 10 000 000
R10 000 001 and above		flat rate of R933 000 plus 13% on the value above R10 000 000

### New Capital Gains Tax rate

Capital Gains Tax (CGT) has increased as follows:-

for individuals and special trusts - 18%,

for companies - 22.4%; and

for other trusts - 36%.

### Donations Tax

Donations Tax stays unchanged and continues to be levied at a flat rate of 20% on the value of the property donated. Current exemptions (i.e. the first R100 000 of property donated by an individual and in the event of a company/trust, casual gifts not exceeding R10 000 per annum) remain the same.

### Estate Duty

Estate Duty also stays unchanged and is levied at a flat rate of 20% on the property of residents and non-residents who have property in South Africa. The basic rebate of R3 500 000 on the nett value of the estate stays the same.



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