Key proposals that may affect you.

Budget 2023

March 2023

see money differently

NEDBANK
PRIVATE WEALTH

We are here to help you plan the financial future you want.

This 2023 Budget summary provides an overview of how South Africa's Budget changes and proposals may affect your everyday finances, future planning and wealth.

Contents

Highlights 3

Your everyday finances 4

Your investments 5

Your legacy 6

Your retirement 7

Your business 8

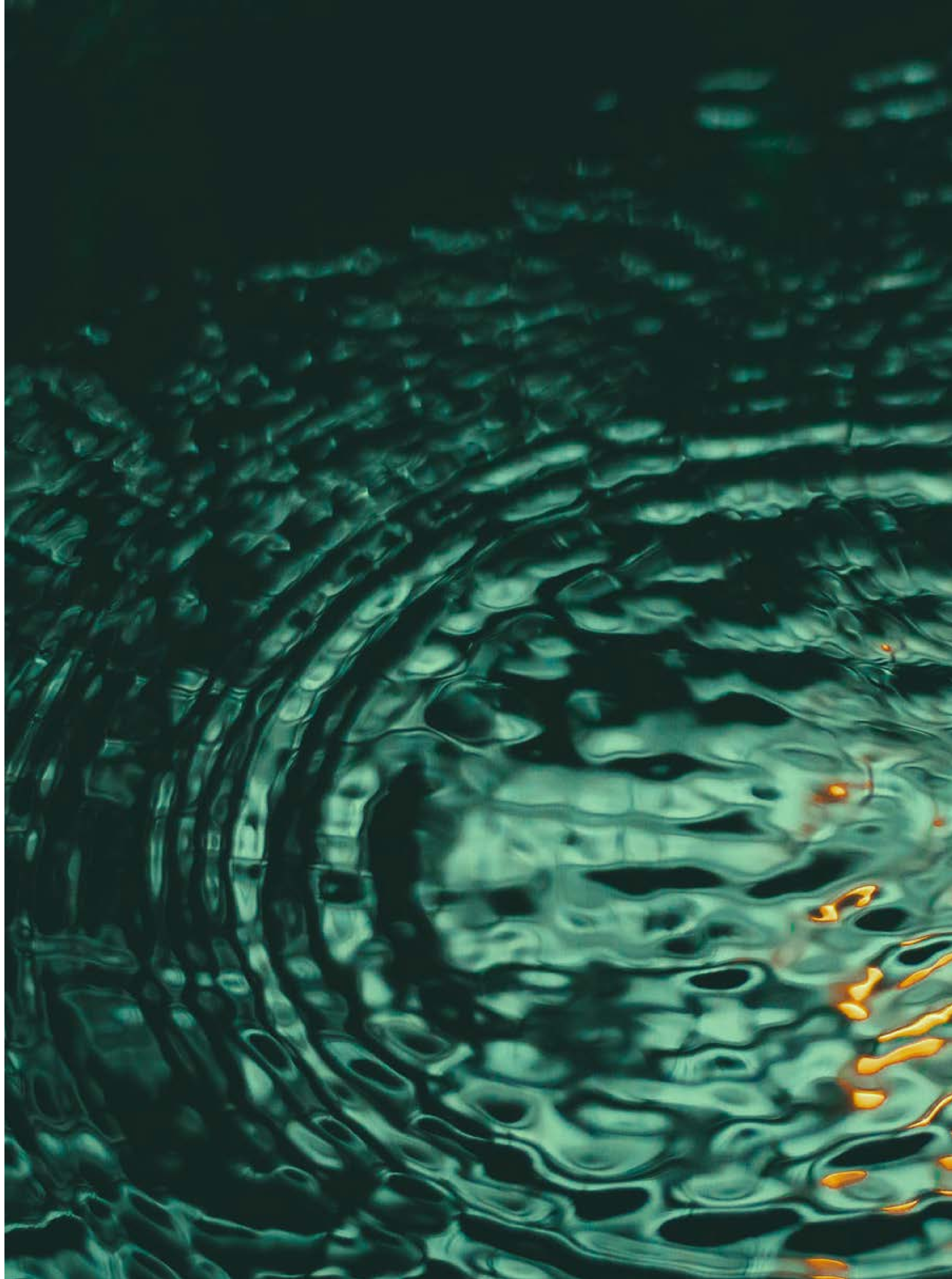
Key changes and proposals in more detail:

Income tax changes and proposals 9

Rebuilding SARS with a focus on wealthy individuals 16
Third-party data

Retirement-related reforms 17
South African households in distress (help them access savings but also encourage the preservation of savings) and anyone planning their retirement.

Exchange control 18
No changes were announced.



Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Highlights

VAT
15%
(unchanged)

Personal income tax
Personal income tax brackets and rebates increased by
▲ **4,5%**

Corporate tax
27%
(27% for years of assessment ending on or after 31 March 2023). This will affect capital gains tax (CGT) effective rates for companies too.

Estate duty rate
20%
on dutiable estates up to R30 million (unchanged)

25%
on dutiable estates greater than R30 million (unchanged)

Donations tax rate
20%
on donations up to R30 million (unchanged)

25%
on donations exceeding R30 million (unchanged)

Fuel taxes
General fuel levy (unchanged)
15c/litre

Road Accident Fund (RAF) levy (unchanged)
11c/litre

Carbon tax
Petrol
▲ **10c/litre**

Diesel
▲ **11c/litre**
(effective from 5 April 2023)

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Your everyday finances

Tax on what you earn

Personal income tax

- Personal income tax brackets and rebates increased by **4,9%**
- Maximum personal income tax rate (unchanged): **45%**

Rebates

Primary	Secondary	Tertiary
R17 235	R9 444	R3 145
▲ R810	▲ R444	▲ R148

Tax thresholds

< 65 years	65+ years	75+ years
R95 750	R148 217	R165 689
▲ R4 500	▲ R6 967	▲ R7 789

What you spend

VAT (unchanged): **15%**

Fuel taxes (unchanged)

General fuel levy	RAF levy
15c/litre	11c/litre

Carbon tax (effective from 5 April 2023)

Petrol	Diesel
▲ 10c/litre	▲ 11c/litre

Medical tax credits

First two beneficiaries (per person)	Remaining beneficiaries (per person)
▲ R364 (up by R17)	▲ R246 (up by R12)

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Your investments

Exemptions and allowances

Interest exemption (unchanged)
(Applicable to South African-sourced income only)

For individuals:

< 65 years	65+ years
R23 800 per year	R34 500 per year

Tax-free savings (unchanged). Annual contribution limit: R36 000

Annual donations relief (unchanged). Exemption of R100 000

Reviewing Practice Note 31 of 1994
In November 2022, SARS announced its intention to withdraw Practice Note 31. However, SARS now intends to delay and align the withdrawal with the changes in the legislation.
Please refer to the Key changes and proposals for more detail.

South African resident lenders to non-resident trusts
Government proposes to clarify when the loan, advances or credit that are denominated in foreign currency should be converted to rands. According to National Treasury, the conversion of these loans affects the calculation of the deemed donation based on interest foregone.
Please refer to the Key changes and proposals for more detail.

Non-resident beneficiaries of trusts
National Treasury proposes that the taxation of income accruing to South African resident trusts but vested to non-resident beneficiaries be aligned to that of capital gains, and therefore should be taxed in the trust.
Please refer to the Key changes and proposals for more detail.

Tax on your investments

CGT (Company maximum effective rate decreased)

Taxpayer	Inclusion rate	Maximum effective rate
Individuals	40,0%	18,0%
Special trusts	40,0%	18,0%
Companies (Applicable to companies with a financial year-end on or after 31 March 2023.)	80,0%	21,6%
Trusts	80,0%	36,0%

Dividend withholding tax (SA) (unchanged): **20%**

Foreign dividends tax (unchanged): **20%**

Withholding tax on interest (unchanged): **15%**

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Your legacy

Donations tax (unchanged)

- Tax rate on donations exceeding R30 million after 1 March 2018: **25%**
- Tax rate on donations up to R30 million after 1 March 2018: **20%**
- Annual donations tax exemption: **R100 000**

Trusts tax rate (unchanged): **45%**

Estate duty (unchanged)

- Dutiable estates up to R30 million: **20%**
- Dutiable estates greater than R30 million: **25%**

Property transfer duty:

2023/2024 table adjusted upwards by 10% to compensate for inflation.

Transfer duty rates			
2022/23		2023/24	
Property value (R)	**Rates of tax**	**Property value (R)**	**Rates of tax**
R0 – R1 000 000	0% of property value	R0 – R1 100 000	0% of property value
R1 000 001 – R1 375 000	3% of property value above R1 000 000	R1 100 001 – R1 512 500	3% of property value above R1 100 00
R1 375 001 – R1 925 000	R11 250 + 6% of property value above R1 375 000	R1 512 501 – R2 117 500	R12 375 + 6% of property value above R1 512 501
R1 925 001 – R2 475 000	R44 250 + 8% of property value above R1 925 000	R2 117 501 – R2 722 500	R48 675 + 8% of property value above R2 117 500
R2 475 001 – R11 000 000	R88 250 + 11% of property value above R2 475 000	R2 722 501 – R12 100 000	R97 075 + 11% of property value above R2 722 500
R11 000 001 and above	R1 026 000 + 13% of property value above R11 000 000	R12 100 001 and above	R1 128 600 + 13% of property value above R12 100 000

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Your retirement

2023/2024 limits adjusted upwards by 10% to compensate for inflation.

Retirement fund lump sum benefits tax			
2022/23		2023/24	
Taxable income (R)	**Rates of tax**	**Taxable income (R)**	**Rates of tax**
R0 – R500 0000	0% of taxable income	R550 000	0% of taxable income
R500 001 – R700 000	18% of taxable income above R500 000	R550 001 – R770 000	18% of taxable income above R550 000
R700 001 – R1 050 000	R56 700 + 27% of taxable income above R770 000	R770 001 – R1 155 000	R39 600 + 27% of taxable income above R770 000
R1 050 001 and above	R141 750 + 36% of taxable income above R1 050 000	R1 155 001 and above	R143 550 + 36% of taxable income above R1 155 000

Retirement fund lump sum withdrawal benefits tax			
2022/23		2023/24	
Taxable income (R)	**Rates of tax**	**Taxable income (R)**	**Rates of tax**
R0 – R25 000	0% of taxable income	R0 – R27 500	0% of taxable income
R25 001 – R660 000	R18% of taxable income above R25 000	R27 501 – R726 000	18% of taxable income above R27 500
R660 001 – R990 000	R114 300 + 27% of taxable income above R660 000	R726 001 – R1 089 000	R125 730 + 27% of taxable income above R726 000
R990 001 and above	R203 400 + 36% of taxable income above R990 000	R1 089 001 and above	R223 740 + 36% of taxable income above R1 089 000

Retirement-related reforms

Please refer to the Key changes and proposals for more detail.

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Your business

Corporate tax

Companies with year-ends before 31 March 2023 (unchanged): **28%**

Companies with year-ends ending on or after 31 March 2023 (decrease of 1%): **27%**

- Assessed loss to be limited to 80% of taxable income to coincide with rate reduction.
- Interest deduction to be limited to 30% of earnings before interest, tax, depreciation and amortisation for taxpayers forming part of a multinational group to coincide with rate reduction.

Please refer to the Key changes and proposals for more detail.

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Income tax changes and proposals

Tax proposals were announced in the Budget and draft legislation to give effect to these tax proposals are generally published in July 2023. Treasury then considers any consultations made or responses received and final changes are made before legislation is typically introduced towards the end of the year.

Who may be affected?	The proposals and changes
Multinationals operating businesses internationally	**Base erosion and profit shifting: Pillar Two (minimum effective tax rate)** • Pillar Two, which is one of the measures of the Organization for Economic Cooperation and Development to combat tax-base erosion and profit shifting, proposes an approach to ensure that all internationally operating businesses with global annual revenue of more than €750 million pay an effective tax rate of at least 15%, regardless of where they are headquartered or in which jurisdictions they operate. • A minimum effective tax rate for large multinationals is expected to apply in several countries from December 2023. • During the 2023 legislative cycle, government will publish a draft position on the implementation of Pillar Two for public comment and draft legislation will be prepared for inclusion in the 2024 Taxation Laws Amendment Bill. • This will negatively impact South African shareholders holding shares in companies with revenue exceeding the threshold and paying below the specified minimum tax rate.
Companies investing in renewable energy	**Expansion of the renewable-energy tax incentive** • The tax incentive, mainly capital and depreciation allowances, is available for businesses to promote renewable energy will be expanded temporarily to encourage rapid private investment to alleviate the energy crisis. • Under the expanded incentive, businesses will be able to claim a 125% deduction in the first year for all renewable-energy projects with no thresholds on generation capacity. The adjusted incentive will be available only for investments brought into use for the first time between 1 March 2023 and 28 February 2025. • This deduction incentive is welcome but the two-year period appears to be too short. • Businesses with significant assessed losses will not benefit from the incentive immediately.

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Income tax changes and proposals (continued)

Who may be affected?	The proposals and changes
Individual households investing in solar photovoltaic (PV) panels	**Rooftop solar tax incentive** • To increase electricity generation, government is proposing a rooftop solar incentive for individuals to invest in solar PV. Individuals will be able to receive a tax rebate to the value of 25% of the cost of any new and unused solar PV panels. To qualify, the solar panels must be purchased and installed at a private residence, and a certificate of compliance for the installation must be issued from 1 March 2023 to 29 February 2024. • The rebate is available only for solar PV panels, and not for inverters or batteries. It can be used to offset the individual's personal income tax liability for the 2023/24 tax year up to a maximum of R15 000. • This rebate incentive is welcomed but the one-year period is limited. It is unfortunate that batteries and inverters, which are critical to the solar system, are excluded from the incentive.
Companies tax rate change	**Companies tax rate change** • As initially announced in the 2021 Budget, the corporate income tax rate is reduced by 1% to 27% for companies for years of assessment ending on or after 31 March 2023, with a view for further reductions over the medium term. This is coupled with the proposals aimed at protecting and broadening the tax base, being the limiting of assessed loss and further limiting of the deduction of interest accrued to multinational groups.

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Income tax changes and proposals (continued)

Who may be affected?	The proposals and changes
South African shareholders of controlled foreign companies	**Clarifying the foreign business establishment exemption for controlled foreign companies** • Controlled foreign company (CFC) provisions are income deferral anti-avoidance provisions contained in section 9D of the Income Tax Act. - These provisions apply to South African shareholders who hold more than 50% in the foreign company and owns at least 10% equity shares or voting rights. - The shareholder is taxed on a proportional amount of income that would have been taxable had the CFC been a South African resident taxpayer. This is done according to the shareholding of the South African shareholder in a CFC. • A South African shareholder is granted an exemption from this tax if the CFC has a foreign business establishment (FBE) in the country where it established its outsources to another group company with an FBE in that company. • An FBE is a fixed place of business located in a country outside South Africa where the business: - is conducted through offices or other structures; - is suitably staffed with on-site managerial and operational employees to conduct its primary operations; - is suitably equipped for conducting the primary operations; - has suitable facilities for conducting the primary operations; and - is located outside South Africa solely or mainly for a purpose other than for tax avoidance. • CSARS v Coronation Investment Management SA (Pty) Ltd (1269/2021) [2023] ZASCA 10 (07 February 2023) deals with the interpretation of an FBE (mainly the outsourcing of primary operations). • Government is concerned that some taxpayers are outsourcing other primary operations through being compensated for these functions. • The proposal is to clarify the legislation that to qualify for an FBE exemption, all primary operations for which a CFC is compensated must be performed by the CFC or by the other company in the same group of companies.
Long-term investors in financial instruments	**Reviewing Practice Note 31 of 1994** • Practice Note 31 (PN 31) currently allows a deduction against interest income of certain expenses, such as interest paid, trustee fees and portfolio fees, for among others, long-term investors who are not carrying on a trade, ie investors who are not speculating in financial instruments to make profit. • In November 2022, SARS announced its intention to withdraw PN 31. • Government will consider the impact of the proposed withdrawal and the necessary tax legislation changes to accommodate legitimate use of PN 31. • SARS intends to delay and align the withdrawal of PN 31 with the effective date of the changes in the legislation in this regard. • The alignment of the withdrawal of PN 31 with legislative changes is welcome as this change is now likely to be effective for the tax years starting on 1 March 2024. *Click here for more information on PN 31.*

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Income tax changes and proposals (continued)

Who may be affected?	The proposals and changes
Persons emigrating	**Apportioning the tax-free investment contribution limitation and limiting the retirement funds contributions deduction when an individual ceases to be a tax resident:** • When an individual ceases to be a South African tax resident, their year of assessment is deemed to have ended on the date immediately before the day their tax residency ceased, and the next succeeding year of assessment will start on the day on which tax residency is ceased. • As a result, the individual has two years of assessment during the 12-month period, which means the individual may be able to double-up on certain exemptions or exclusions that are allowed per year of assessment. • During 2022, government legislated the apportionment of the interest exemption and the limitation of capital gains annual exclusion in such instances. • Government proposes that, to align other provisions of the Income Tax Act for individuals ceasing to be South African tax residents, ie the tax-free investment contribution limitation (currently R36 000 per tax year) and the annual limit (currently R350 000 per tax year) on the deduction of the retirement funds, contributions to retirement funds be apportioned. **The below example illustrates the application of the apportionment:** • Mr Bheki Baloyi ceased to be a South African resident on 1 September 2022. He contributed R36 000 to a Nedgroup Investments tax-free investment on 1 June 2021 and contributed R180 000 to his retirement annuity fund. • Year of assessment 1 March 2021 to 31 August 2022: Mr Baloyi is entitled to invest up to R36 000 in a tax-free investment without penalty and can also contribute up to R350 000 to a SARS-approved retirement fund. • However, if Mr Baloyi ceased to be resident after the proposed changes, he would be entitled to invest up to R18 000 in a tax-free investment without penalty and claim a deduction of up to R175 000 of his contribution to the SARS-approved retirement fund since these would have been apportioned. • Mr Baloyi would therefore be deemed to have invested the R18 000 (R36 000–R18 000) excess investment in a tax-free investments in the next tax year (six-month period). • Mr Baloyi would have had excess contribution amounting to R5 000 (R180 000–R175 000) that would not be allowed for the current tax year ending 31 August 2022. The excess amount of R5 000 will be carried forward to the tax year ending 28 February 2023.

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Income tax changes and proposals (continued)

Who may be affected?	The proposals and changes
South African resident lenders to non-resident trusts	**Anti-avoidance rules for low-interest or interest-free loans denominated in foreign currency to trusts:** • These rules deem any interest foregone in respect of low-interest or interest-free loans, advances or credit (sometimes denominated in foreign currency, ie Swiss franc) to a trust to be a donation subject to a donations tax. • Where such loans are denominated in foreign currency, an official interest rate equal to the South African repurchase rate applicable in that currency plus 1% is used to calculate interest foregone, ie where a loan is denominated in Swiss franc, the official interest rate will be the Swiss National Bank rate plus 1%. • The calculated interest foregone is then translated into rands using a spot rate or an average exchange rate, ie of Swiss francs to rands. • Currently, the foreign currency exchange difference between for example Swiss franc and the rand on the loan, advances or credit is not calculated for the purposes of interest foregone. • Government proposes to clarify when the loan, advances or credit that is denominated in foreign currency should be converted to rands. • According to National Treasury, the conversion of these loans affects the calculation of the deemed donation based on interest foregone. • The inclusion of currency exchange difference will cause a fluctuation in the interest foregone from tax year to tax year. It will be difficult to have certainty of what deemed donation will be from year to year. • This proposal could also affect other provisions relevant to interest foregone, such as the attribution of income to donors and the 'arm's length interest rate' calculation.

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Income tax changes and proposals (continued)

Who may be affected?	The proposals and changes
Non-resident beneficiaries of trusts	See below

Taxation of non-resident beneficiaries of trusts:

- Capital gains determined by the South African tax resident trust do not flow through to non-resident trust beneficiaries, and are therefore taxed in trusts.
- Income accruing to the South African resident trust, however, can be vested and flow through to non-resident beneficiaries and be taxed in the non-resident hands where applicable.
- National Treasury proposes that the tax treatment of income accruing to a South African tax resident trust be aligned to that of capital gains, and should therefore not flow through to non-resident trust beneficiaries but should be taxed in the trust.
- This will be negative for non-resident beneficiaries of the South African trusts as trust tax rates are usually higher, and the double taxation agreement (DTA) will not apply.

The tax impact of this proposal on a non-resident trust beneficiary is illustrated by the example below:

- A South African tax resident discretional trust with a UK tax resident trust beneficiary who is 66 years of age. The following income and capital gains of the trust were vested by the trustees to a UK tax resident beneficiary:
  - Capital gains from disposal of shares amount of R200 000.
  - Immovable property rental income of R100 000.
  - Dividends received from listed shares (not REITS).

Solution based on current legislation

Income and capital gains attributed to non-resident discretionary trust beneficiary (ie UK tax resident) – tax year ending 28 February 2023.

	Legislation	Amounts	Taxable SA resident discretionary trust	Taxable Non-SA tax resident trust beneficiary
Capital gains from sale of shares by SA trust	Paragraph 80 of 8th Schedule to Income Tax	R200 000	Tax paid to SARS = R72 000 R200 000 tax at 36% CGT trust rates	N/A
Rental income on South African-based property	Section 25B of Income Tax	R100 000	N/A – flow through	Income tax to SARS = Rnil R100 000 taxed at 18% = R18 000 less primary R16 425 less secondary R9 000 rebates Final tax is nil. **Note:** SA/UK DTA grants South African taxing rights on income from immovable property.
Dividends from shares	Section 25B	R150 000	N/A – flow through	DWT paid to SARS = R15 000 R150 000 DWT at 20%, but SA/UK DTA limits South African taxing rights to only 10%.

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Income tax changes and proposals (continued)

Who may be affected?	The proposals and changes
	Solution taking account of the proposal If section 25B of the Income Tax Act (ITA) is changed to not allow flow through, the SA tax resident trust will be taxed.
Anyone working from home or remotely	**Broadening the personal income tax base** • A discussion document will be released this year to outline workplace practices and policies, changes in the current environment and how different workplaces are affected by home office and travel allowance policies. • This is welcome as the tax legislation needs to keep up with new ways of work, including working remotely.

			Taxable	Taxable
	Legislation and proposal		**SA resident discretionary trust**	**Non-SA tax resident trust beneficiary**
Capital gains from sale of shares by SA trust	Paragraph 80 of 8th Schedule ITA	R200 000	Tax to SARS = R72 000	N/A
Rental income on South African-based property	Proposed Section 25B of ITA	R100 000	R200 000 taxed at 36% CGT trust rates	N/A
Dividends from shares	Proposed Section 25B	R150 000	Income tax to SARS = R45 000	N/A

Rebuilding SARS with a focus on wealthy individuals

Who may be affected?	The proposals and changes
Third-party data	**Third-party data and personal income tax administration reform** • The PAYE reform is focusing on reducing the administrative burden for employers (including funds paying annuities), payroll administrators and SARS, as well as individual taxpayers who earn salaries. • Since 2022, SARS has been engaging with the trusts and Public Benefit Organisation (PBO) administrators to submit IT3(t) and section 18A PBOs IT3(d) respectively as part of this reform. • This impacts the operational efficiency of the administrators as the compliance cost appears to be increasing.

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Retirement-related reforms

Who may be affected?	The proposals and changes
South African households – providing adequate retirement savings	**The introduction of a 'two-pot' system.** • During the 2021 Medium Term Budget Policy Statement (MTBPS) it was proposed that measures to boost household savings by increasing preservation before retirement and to increase flexibility through partial access to retirement funds be introduced through a 'two-pot' system. In terms of this system, individuals would be able to access contributions to the one pot while contributions to the other pot would be saved until retirement. • Following extensive public consultation during 2022, the first phase of legislative amendments to the retirement system is due to take effect on 1 March 2024. Withdrawals from the 'savings pot' before retirement will be taxed at marginal rates. On retirement, any remaining amounts in the savings pot will be taxed according to the retirement lump sum table (for example, R550 000 is a tax-free lump sum on retirement). • Four areas required additional work: - A proposal for seed capital. - Legislative mechanisms to include defined benefit funds in an equitable manner. - Legacy retirement annuity funds. - Withdrawals from the retirement portion if one is retrenched and has no alternative source of income. • The first three matters will be clarified in forthcoming draft legislation. The final matter will be reviewed as a second phase of implementation. • The two-pot retirement system will certainly be welcomed by all retirement fund members who could experience financial strain during challenging times, for example during South Africa's Covid-19 lockdown. • It is also commendable that consideration is given to matters raised during 2022 consultations.
Anyone planning their retirement	**Transfers between retirement funds by members who are 55 years or older:** • It is proposed that members of pension or provident funds who have reached the normal retirement age as stipulated in the rules of that fund but have not yet opted to retire must, as part of the involuntary transfer, be able to have their retirement interest transferred from a less restrictive to a more restrictive retirement fund without incurring a tax liability. • This means that these members will not be entitled to the payment of a withdrawal benefit in respect of the transferred amount.

Highlights

Your everyday finances

Your investments

Your legacy

Your retirement

Your business

Key changes and proposals in more detail:

- Income tax changes and proposals
- Rebuilding SARS with a focus on wealthy individuals
- Retirement-related reforms
- Exchange control

Exchange control

Exchange control changes are normally implemented immediately by the issuing of exchange control circulars via the Financial Surveillance Department of the South African Reserve Bank to authorised dealers and other role players. There were no changes announced during the 2023 Budget.

The clarification and simplification of exchange controls is generally welcomed as part of the government's commitment to the modernisation of exchange controls regime to a risk-based approach by introducing a new capital flow management framework. *Read more about this here.*

nedbankprivatewealth.co.za

Nedbank Private Wealth includes the following entities:
Nedbank Ltd Reg No 1951/000009/06 (NCRCP16) (FSP9363) | Nedgroup Private Wealth (Pty) Ltd Reg No 1997/009637/01 (FSP828) |
Nedgroup Private Wealth Stockbrokers (Pty) Ltd Reg No 1996/015589/07 (NCRCP59) (FSP50399), a member of JSE Ltd.