



The Contemporary Gazette

relevant new legislation for your business



Legal Update

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This Update

This newsletter overviews new relevant National laws up to **17th August 2020**.

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General

1. NOTABLE ONE LINERS

[Agricultural Produce Agents Act \(Livestock auctions\)](#)

The [COVID-19 livestock auctions directions](#) requires compliance with those directions, the COVID-19 regulations, the [Agricultural Produce Agents Act](#), the [Animal Diseases Act](#), the [Animal Identification Act](#), and the [Stock Theft Act](#), by any livestock owner, agent, or agency, by an auction venue host, owner or manager, or by their employees and representatives.

Note: The laws referenced specifically here do not preclude the duty to comply with other relevant laws.

Further note: Only owners of livestock and livestock agents and livestock agencies, registered with the registrar on 31 July 2020 may hold or attend such auctions.

Final note: Livestock owners, agents and agencies must have the documents required by the Stock Theft Act, to transport livestock to the venue and from the venue where the auction is held.

[Broad-based Black Economic Empowerment Act](#)

[BBBEE Commission address](#) updated.

[Carbon Tax Act \(Draft Taxation Laws Amendment Bill 2020\)](#)

The Draft Bill, and Draft Rates and Monetary Amounts and Amendment of Revenue Laws Bill, propose amending [this Act](#) (to, amongst others, allow for the automatic adjustment to the carbon fuel levy, and for a carbon tax pass-through for the regulated liquid fuels sector). Comment deadline 31 August 2020.

[Civil Aviation Act \(Disaster management\)](#)

The [COVID-19 health directions](#) were further amended 7 August 2020 so that an international travel crew member (that is not a direction 22 medical evacuation matter), who may disembark, must be screened and quarantined for 10 days upon finishing an operation (presumably travel).

Note: A crew member in transit or still required to undertake an operation or board or depart for international travel within the 10 days quarantine, must be quarantined at an employer identified and managed facility - all costs related to such quarantine must be borne by the employer.

Commissions Act (State capture)

Amendments relating to sharing of information with, and working with, law enforcement agencies, have been made to the [regulations](#) of the inquiry into state capture, corruption and fraud in the public sector.

Companies Act

The [business rescue CPD policy](#), for business rescue practitioners registered as such with the CIPC, states that the reporting period will be for 1 year, from 1 January to 31 December, with the first cycle starting 1 January 2020.

Note: The policy is quite specific on CPD allocation, for example, 4 of the verifiable hours must be directly related to business rescue and the other 8 verifiable hours can be CPD that is related to the concept / process of business rescue, such as accounting, taxation, management accounting, human resources, management and related labour and other legislation.

Further note: The appropriate records and supporting documentation (underlying records) must be accessible should a member be selected for verification of CPD.

Final note: The policy as it currently stands actually considers practical and proportional realities - for example, it allows for exemptions in exceptional circumstances within clear parameters; it considers that practitioners may be members of various bodies; and it confirms that CPD is specific to the individual and is to be relevant to their individual learning needs and so they have the freedom to acquire their learning from any applicable source that will ensure they meet their current and future professional development needs.

Competition Act (Forestry)

[Notice gazetted](#) of an impact assessment of cumulative decisions relating to the forestry sector, such as continuity of supply of timber from large vertically integrated firms, and access to supply of timber products for the downstream operations of small vertically integrated and non-integrated downstream players.

Note: Comment deadline 31 August 2020.

Customs and Excise Act (Draft Tax Administration Laws Amendment Bill 2020)

The Draft Bill [proposes](#) corrections and updates (sections 1, 3, and 120), and amending sections 4, 18, 40, 44, 72, 76B, and 113. Comment deadline 31 August 2020.

Customs and Excise Act (Draft Taxation Laws Amendment Bill 2020)

The Draft Bill [proposes](#) continuation measures, and amending section 48 and 76, as well as the schedules. Comment deadline 31 August 2020.

Disaster Management Act (Extension)

[Extension](#) of the government declared disaster to 15 September 2020 "taking into account the need to continue augmenting the existing mitigation measures undertaken by organs of state to address the impact of the disaster".

Disaster Management Act (Levels)

The [criteria to guide the determination of levels](#) states that a ministerial advisory committee must, from 7 August 2020, advise the Minister of Health regarding which level should be declared nationally, provincially, in a metropolitan area, or a district, when taking into account the epidemiological trends of COVID-19 infections; the health system capacity in a specified area to respond to the disease burden; and any other factor that would influence the level of infection, hospitalisation and mortality.

Electronic Communications Act (Code for people with disabilities)

The [draft revised code](#) contains broadcasting audio description, sign language, subtitles, news text strapline, photosensitivity warnings and awareness campaigns, handset hearing/visual aid, individual-ECS licensees compliance reporting, and national relay system proposals.

Note: Important corrections were made to include missing parts of the annexure (national relay system specifications applicable to video the notice), and the comment deadline was extended to 14 August 2020.

Electronic Communications Act (Numbering regulations)

Draft withdrawal of 111 short code as a COVID-19 emergency services code, and draft reharmonizing of one of the short codes 103, 104, 105, 106, 118, or 139 as the [COVID-19 emergency services code](#). Comment deadline 7 working days from 27 July 2020.

Electronic Communications Act (Television white spaces)

The [use of television white spaces regulations](#) will commence on 1 April 2021.

Employment Tax Incentive Act (Draft Taxation Laws Amendment Bill 2020)

The Draft Bill 2020 proposes amending [this Act](#) (to not roll over excess ETI amounts of non-tax compliant employers at the end of the PAYE reconciliation period). Comment deadline 31 August 2020.

Estate Duty Act (Tax Bill 2020)

The Draft Tax Administration Laws Amendment Bill 2020 proposes amending [section 10](#) (payment of interest) to correct a cross-reference, while the Draft Taxation Laws Amendment Bill 2020 proposes amending [section 3](#) (what constitutes an estate) to make a correction.

Financial Sector Regulation Act

The [transitional regulations](#) regarding the transition to the Financial Sector Conduct Authority, and appointment of Commissioner, have been amended.

Immigration Act (Disaster management)

The 31 July 2020 amendments to the [COVID-19 entry and exit directions](#) are relevant to the [Immigration Act](#), as it extends the visa concessions period for foreigners inside South Africa to 31 October 2020; and extends the validity of the Lesotho special permit to 31 October 2020.

Note: A person whose visa has expired from 15 March 2020 and who remained in South Africa during the government declared disaster will not be declared an undesirable person upon leaving South Africa up to and including 31 October 2020.

Further note: The 7 August 2020 amendments further provided that persons entering SA through any point of entry must be screened at the point of entry and may be placed under mandatory quarantine for at least 10 days, which may be self-quarantine if [paragraph 19](#) criteria are met.

[Income Tax Act \(Draft Tax Administration Laws Amendment Bill 2020\)](#)

The Draft Bill proposes amending [sections 1](#) (representative taxpayer), [3](#) (exercise of powers), [18A](#) (donations to certain organisations), and [49G](#) (refund of withholding tax on royalties) as well as the [Fourth Schedule](#) paragraph 1, 13 and 30. Comment deadline 31 August 2020.

[Income Tax Act \(Draft Rates and Monetary Amounts and Amendment of Revenue Laws Bill 2020\)](#)

The Draft Bill proposes amending [section 6](#) (normal tax rebates), [section 6A](#) (medical scheme fees tax credit), [section 8](#) (certain amounts to be included in income), [section 12T](#) (exemption of tax free investments amounts), and Seventh Schedule [paragraph 9](#) (residential accommodation benefits).

[Insurance Act \(Business interruption\)](#)

Communication 34 of 2020 INS and FSCA press releases 24 July 2020 and 12 August 2020 (available from the FSCA) sets out the Financial Sector Conduct Authority's stance on contingent business interruption insurance cover.

[Labour Relations Act \(Disaster management\)](#)

[Directive on access to the CCMA](#) during COVID-19 gazetted.

[Local Government Municipal Finance Management Act \(Financial reporting\)](#)

2 month [exemption from various financial reporting deadlines](#) have been gazetted for municipalities and municipal entities.

[Magistrates Courts Act, Superior Courts Act and Consumer Protection Act \(Sales in execution\)](#)

The [COVID-19 directions \(justice - sales in execution\)](#) apply to sales in execution conducted by a sheriff in terms of the [Magistrates Courts Rules](#) and the [Uniform Rules of Court](#), read with [section 45](#) of the Consumer Protection Act and its regulations which must be complied with by all participating persons.

Note: For example, the directions expect a sheriff who conducts a sale in execution to screen all attendees and employees, including, but not limited to, taking the person's temperature, before permitting access to the designated area and to refer any attendee or employee that shows any symptoms of COVID-19, for testing by the relevant authorities.

Magistrates Courts Act (Fees)

The [rules](#) will be amended 11 September 2020, to update attorneys fees and sheriffs fees.

Marine Living Resources Act (Fishing)

The [COVID-19 health directions](#) were further amended 7 August 2020 so that the quarantine requirements for fishers disembarking from international registered fishing vessels, or embarking international fishing vessels permitted to operate from South Africa, has been changed to a minimum period of 10 days.

Merchant Shipping Act

The [COVID-19 health directions](#) were further amended 7 August 2020 so that the quarantine requirements placed on a person disembarking from a cargo and passenger vessel, or a crew member embarking on such a vessel, has been changed to a minimum period of 10 days.

National Environmental Management Act(Plastic bags)

The draft amendments to the 2003 [plastic carrier bags and plastic flat bags regulations](#) propose that plastic carrier and flat bags must be made from at least 50% post-consumer recycle from 1 January 2023 and 100% post-consumer recycle from 1 January 2027, with a phase-out schedule inbetween. Comment deadline 30 days from 7 August 2020.

Note: Post-consumer recycle will refer to material generated by households or by commercial, industrial and institutional facilities in their role as end-users of the product which can no longer be used for its intended purpose.

Final note: The draft amendment also proposes that non-compliance be an offence that may be punished by a fine of up to R5m and/or imprisonment of up to 5 years (up to R10m and/or 10 years in the case of a second or subsequent conviction).

National Environmental Management Air Quality Act (Printing)

[Draft declaration of certain printing activities as controlled emitters](#). Comment deadline 30 days from 7 August 2020.

Note: No person may manufacture, sell or use any appliance or conduct an activity declared as a controlled emitter unless that appliance or activity complies with the prescribed standards.

National Environmental Management Biodiversity Act (Disaster management)

COVID-19 biodiversity directions amended 28 July and 7 August to limit access to zoos, aquaria, animal rehabilitation sanctuaries and sanctuaries to guided tours and self-drive excursions; limit access to botanical gardens to exercise; amend wildlife auction requirements; and permit intra-provincial hunting.

Note: Access to zoos, aquaria, animal rehabilitation facilities and sanctuaries, and botanical gardens are further subject to relevant health, tourism and transport protocols.

National Environmental Management Waste Act (Producer inquiry)

Comment deadline for the draft extended producer responsibility (including the proposed schemes for the electrical and electronic equipment sector, the lighting sector, and the paper, packaging and some single use products) extended to 26 August 2020.

National Health Act (Disaster management)

The COVID-19 health directions were amended 7 August to require that a person testing positive for COVID-19 showing or experiencing symptoms of COVID-19 with mild disease (not requiring hospitalisation for COVID-19) must be isolated for at least 10 days from the date the symptoms set in.

Note: A person may de-isolate (to release a person from isolation or to no longer require a person to be isolated from others) 10 days after the onset of symptoms, provided that the person no longer has fever and his or her other symptoms have improved - Repeat testing is not required for a person to de-isolate.

Further note: A symptomatic person with moderate-severe disease must be isolated for 10 days after recovery when the person no longer requires supplemental oxygen and is clinically stable.

Final note: An asymptomatic person who tests positive for COVID-19 must be isolated for 10 days from the day of his or her positive test.

National Sport and Recreation Act (Disaster management)

The COVID-19 sports directions 6 August 2020 amendment is relevant within the National Sport and Recreation Act as it allows professional non-contact sport to resume training and matches, and professional contact sport to resume training and matches.

Note: Resumption of training and matches is subjected to providing prescribed information.

Further note: Spectators are not allowed at a venue or precinct of a sports venue during a match, and participation in an international sport event held outside South Africa is not allowed.

Final note: A sports body must ensure that all athletes and support staff are tested for COVID-19 before any resumption of training and matches for both professional contact sport and non-contact sport, and must comply with the updated direction 6D control measures and 6F compliance officer measures.

Occupational Health and Safety Act 🇷🇺

Notice gazetted regarding draft hazardous biological agents regulations. Comment deadline 90 days from 31 July 2020

Note: The notice directs attention to the labour department website, which, as at 14 August 2020, only contains the 2001 regulations and not the draft regulations referred to.

Public Finance Management Act (Interest rate) 🇷🇺

A new **uniform interest rate** (for loans granted out of a Revenue Fund and for debts which must be paid into a Revenue Fund) has been gazetted.

Note: The uniform rate does not apply where special exceptions were introduced such as a health service by a public health establishment provided to a patient classified as H1, H2 or H3 by the Minister of Health.

Further note: See there related laws on the right side of [section 80](#) for examples of other laws affected by the uniform interest rate, such as [section 189](#) of the Tax Administration Act.

Draft Rates and Monetary Amounts and Amendment of Revenue Laws Amendment Bill

The **Draft Bill 2020** proposes confirming rate amendments made in the annual budget 2020.

Refugees Act (Disaster management)

The 31 July 2020 amendment to the **COVID-19 entry and exit directions** is relevant to the **Refugees Act** in that an asylum seeker permit and a granted refugee status, which expired from 15 March 2020, or is to expire or be withdrawn in the government declared disaster, is deemed extended to 31 October 2020.

Sectional Titles Act

The [sectional titles regulations](#) will be amended so that certificates include a reference to the Legal Practice Council membership number, form H (deed of transfer) is substituted, and regulation 15 (substitution of a registered sectional plan) is amended.

Securities Transfer Tax Act (Draft Taxation Laws Amendment Bill 2020)

The Draft Bill proposes amending [this Act](#) (to make corrections, and align immunity from taxation of international organisations). Comment deadline 31 August 2020.

Skills Development Act (High demand occupations)

The draft national list of occupations in high demand in South Africa is available from the Department. Comment deadline 21 days from 17 August 2020.

Social Assistance Act (Disaster management)

The [COVID-19 social development directions](#) 6 August 2020 amendment is relevant within the [Social Assistance Act](#) as it amended the manner in which the COVID-19 additional form of social relief of distress will be payable, and can be applied for.

South African Schools Act

The [COVID-19 schools directions](#), relevant to the [South African Schools Act](#), amended 2 August 2020, to introduce a 27 July school break and arrangements after break; update direction 6 school attendance; introduce 6A application for exemption and 6B registration status and attendance register; and require the Head of Department to ensure schools continue to conduct learner assessments and provide feedback.

Note: Parents considering homeschooling going forward are advised to do wider research.

Further note: The principal of a public school must request the provincial department of education, in writing, through the district office, to procure cloth face masks required by a public school.

Final note: Every provincial department of education must provide each official and learner at public school, with two cloth face masks or face shields.

Spatial Planning and Land Use Management Act

The [COVID-19 spatial planning directions](#) state that, subject to those directions, municipalities and land use regulators are exempted from any part of [the Act](#) that requires any action to be taken between 7 August 2020 and the date the government declare disaster ends. it also extends timeframes.

Note: Where any provincial or municipal authority including appeal authorities affected by these directions has publicly indicated that a different arrangement applies, such an arrangement will prevail over any arrangement indicated in these directions.

Further note: Municipal authorities may receive the process land development applications and may specify any electronic manner of receipt and processing of applications and appeals including any other procedure or technique that may prevent the escalation of the national state of disaster.

Standards Act

New, proposed, amended, and withdrawn [standards](#) have been gazetted for 4 August 2020.

Note: Generally related laws may in certain circumstances involve standards, for example, [section 55](#) of the Consumer Protection Act, the [Occupational Health and Safety Act](#), the [National Regulator for Compulsory Specifications Act](#), the [National Health Act](#), the [Agricultural Products Standards Act](#), and/or the [Competition Commission and SABS MoU](#).

Superior Courts Act (Fees)

- (i) The [uniform rules](#) will be amended on 11 September 2020 (attorneys fees and sheriffs fees).
- (ii) The [Supreme Court of Appeal rules](#) will be amended on 11 September 2020, to update attorneys fees for the first time in almost 3 years.

Tax Administration Act (Draft Tax Administration Laws Amendment Bill2020)

The Draft Bill proposes amending [section 86](#) (withdrawal or modification of advance rulings); [91](#), [93](#), and [95](#) (assessments); [187](#), [188](#) and [189](#) (interest); [190](#) (refunds); and [234](#) (non-compliance offences).
Comment deadline 31 August 2020.

Note: The Draft Bill also proposes corrections and updates to sections 12, and 70.

Transfer Duty Act (Draft Rates and Monetary Amounts and Amendment of Revenue Laws Bill)

The Draft Bill intends confirming the [amended thresholds](#) that apply from 1 March 2020 in respect of property acquired or interest or restriction in any property renounced on or after that date. Comment deadline 31 August 2020.

Tourism Act (Disaster management)

The [COVID-19 tourism directions](#), which interacts with the [Tourism Act](#), was amended on 6 August 2020 to allow no more than two persons (unless the occupants are a nuclear family) in a room in a hotel, lodge, bnb, time-share facility, resort or guest house, and to introduce safety measures for guided tour operators.

Unemployment Insurance Act (Disaster management)

The [COVID-19 directions \(employment - temporary employee/employer relief\)](#) is relevant within the [Unemployment Insurance Act](#) environment, and is aimed at employees whose employers are stopped from full operations due to the COVID-19 regulations; are unable to make alternative arrangements for vulnerable employees to work from home or take other measures; or are unable to make use of their services fully or partially because of operational requirements based on the economic, technological, structural or similar needs of the employer caused by compliance with the COVID-19 regulations or directions, in particular the need to limit the number of employees at the workplace through rostering, staggering of working hours, short time, and the introduction of shift systems.

Note: The direction is deemed to commence on 27 June 2020 and remains in operation until 15 August 2020.

Unemployment Insurance Contributions Act (Draft Tax Administration Laws Amendment Bill2020)

The Draft Bill proposes amending the [Unemployment Insurance Contributions Act](#) (to refuse refund if return not furnished). Comment deadline 31 August 2020.

Value-added Tax Act (Draft Tax Administration Laws Amendment Bill2020)

The Draft Bill proposes amending [section 14](#) (imported services); [20](#) (tax invoices - reference update); and [58](#) (offences). Comment deadline 31 August 2020.

[Value-added Tax Act \(Draft Taxation Laws Amendment Bill 2020\)](#)

The Draft Bill proposes amending [sections 8](#) and [11](#) (VAT treatment of transactions under corporate reorganisation rules); [10](#) (superannuation schemes); [11](#) (telecommunications services, certain cross-border leases); [15](#) (to allow vendors deemed as suppliers for foreign electronic services to apply to register for VAT on the payments basis); and [22](#) (clarify VAT treatment of irrecoverable debts). Comment deadline 31 August 2020.

[Value-added Tax Act \(Electronic services\)](#)

Content and telecommunications services definition amendments proposed to the [electronic services regulations](#). Comment deadline 31 August 2020.

[Draft Victims Support Services Bill](#)

A comment deadline has been gazetted for the, at times, [contentious draft bill](#) - 60 calendar days from 7 August 2020.



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Safety

2. DISASTER MANAGEMENT ACT: LEVEL 2

Level 2 of the regulations commenced 00h01 18 August 2020 and, [amongst others](#):

- (i) Continues the [curfew](#);

Note: Questions may be raised regarding the necessity for the stated declaration purpose, and whether the principle of proportionality has been considered.

- (ii) Requires a face mask when [in a public place](#), and prohibits a person without a face mask from being in a public place, using public transport, or entering a public building, place or premises;

Note: Face mask is now defined as a cloth face mask or a homemade item that covers the nose and mouth, or another appropriate item to cover the nose and mouth.

Further note: Regarding public buildings, also see [co-operative governance directions for municipalities, provinces and traditional leadership](#) (to terminate when the declaration 'lapses or is terminated').

- (iii) Inhibits evictions from land or home or demolishing a place of residence demolished for the duration of the declared disaster unless a competent court grants an order for eviction or demolition;

Note: Includes [considerations](#) the drafters feel a court should consider - necessity for the stated declaration purpose, and principle of proportionality, seem to be in question.

- (iv) Lets rental tribunal grant urgent *ex parte* spoliation orders, including to restore occupation of a dwelling or access to services, while an affected party must give 24 hours notice for a hearing to be convened.

Note: [Creates unfair practice grounds](#) in addition to laws meant to regulate rentals - necessity for the stated declaration purpose, and principle of proportionality, seem to be in question.

- (v) Gives back the right to [gather](#), where people may choose to do so outside of a workplace for work, at a social event in a residence (limited to 10 visitors); at a faith-based institution (subject to directions); at a funeral (subject to regulation 52); or at cinema (limited to 50 persons per cinema and ticket booking);

Note: Also see [employment directions for workplace safety](#) (set for duration of declaration); [employment directions for compensation for occupational injuries and diseases](#) (set for duration of declaration or until withdrawn); and [employment directions for temporary employee/employer relief](#) (27 June to 15 August).

Further note: Also see [co-operative governance for religious gatherings](#) (duration not stated specifically but all directions to end when the declaration finally ends).

Final note: Also see [health directions for isolation, quarantine, public places, foodstuffs, human resources, supplies, facilities, mortal remains, entering and exiting SA](#) (duration not stated specifically but all directions to end when the declaration finally ends).

(vi) Gives back the right to [gather](#) at business conferences and meetings (limited to 50 in-person participants not counting electronic participants); for auctions (subject to directions); and for sporting activities, including professional and non-professional matches, authorised by recognised sporting bodies, subject to directions and several limitations stated in the gathering regulation);

Note: Also see [tourism directions for risk-adjusted strategy](#) (duration not stated specifically - but all directions to end when the declaration finally ends).

Further note: Also see [agriculture directions for livestock auctions](#) (applies 'until further notice' - but all directions to end when the declaration finally ends).

Final note: Also see [directions for sport, cultural and religious events](#) (terminates on the date when the national state of disaster terminates - all directions to end when the declaration finally ends).

(vii) Will, subject to directions to be made at some stage, give back the right to [gather](#) up to 50 persons for weddings; at theatres, concerts and live performances; at concerts and entertainment events; and at events at function venues;

(viii) Will make the right to [gather](#), at the following places open to the public, subject to wearing face masks and strict adherence to all health protocols and social distancing measures in directions to be made:

- Fitness centres and gyms, swimming pools, and bars, taverns, shebeens, and similar establishments (all further limited to 50 persons);
- Sports grounds and fields; beaches and public parks; museums, galleries, libraries and archives; personal care services (including hairdressing, beauty treatments, make-up and nails salons and piercing and tattoo parlours); and restaurants;

Note: Also see [tourism directions for risk-adjusted strategy](#) (duration not stated specifically - but all directions to end when the declaration finally ends).

Further note: Also see [small business development directions for personal care services](#) (references level 3, so will either become inactive by notice or default, or will be amended at some stage).

(ix) Gives back the right to [gather](#) at all accommodation establishments, tour operators, and casinos (all subject to 50% available floor space limit or as directed, with 1,5m social distancing between patrons);

Note: Also see [tourism directions for risk-adjusted strategy](#) (duration not stated specifically - but all directions to end when the declaration finally ends).

(x) Allows the cabinet member responsible for cooperative governance and traditional affairs to, by directions, [determine a place or premises that must be closed](#), if there is a risk of any members of the public being exposed to COVID-19 at such a place or premises.

Note: This creates unnecessary regulatory uncertainty as regulatory parameters for when such an invasive decision may be made are absent and left to personal beliefs.

Further note: Night clubs remain specifically closed to the public and [initiation practices](#) are prohibited.

(xi) Continues inhibiting, and subjecting to directions, [visits by members of the public](#) to older persons' residential facilities, correctional centres, remand detention facilities, police holding cells, military detention facilities, health establishments and facilities (except to receive treatment or medication, subject to strict adherence to health protocols);

Note: Also see [directions for social services](#) (valid for the duration of the declared national state of disaster).

Further note: [Justice directions for correctional centres and remand detention facilities level 3](#) (will apply during the national state of disaster period but does not state level 2 measures, so will either become inactive by notice or default, or will be amended at some future stage).

(xii) Continues [closed borders](#) with some exceptions, such as return of a SA national or permanent resident to place of employment, study or residence, outside SA, and a statement that home affairs may consider certain categories of international travel to resume once deemed safe to do so, subject to directions;

Note: International leisure travel is specifically prohibited in the level 2 [Table 3](#).

Further note: Also see [travel directions for entry into SA and exit from SA](#) (valid for the duration of the declared national state of disaster).

(xiii) [Allows for travel directions](#) relating to domestic air travel; rail, bus services, taxi services; e-hailing services; and private vehicles.

Note: Also see travel directions for [public transport services](#); for [public transport driving licences, discs, permits and vehicle registrations](#); for [air services](#); for [air freight operations](#); for [cross-border road transport](#); for [railway](#); and for [sea ports](#) (all valid for the duration of the declared national state of disaster).

(xiv) Does not repeat the sui generis tobacco ban, and states that the [sale of liquor](#):

- By a licensed premises for off-consumption, is permitted 9am to 5pm Mondays to Thursdays, excluding Fridays, Saturdays, Sundays and public holidays; and
- By a licensed premises for on-site consumption is permitted, subject to strict adherence to the curfew;

(xv) Gives back more economic activity except for businesses listed in [Table 3](#), such as exclusions relating to public transport services or educational services as set out in directions; and

Note: Also see [basic education directions for schools](#) (apply for the duration of the national state of disaster, unless otherwise indicated).

Further note: Also see [higher education and training directions for return to university or campus](#)) and for [skills development activities](#) (both reference level 2 and level 1 measures).

(xvi) Requires that relevant health protocols and social distancing measures set out in directions must be adhered to, in addition to the [occupational health and safety directions](#), and applicable labour legislation.

Note: Where possible, businesses with more than 100 employees, working together in a group in the same floor space, must minimise employees; and construction, manufacturing, business and financial services firms with more than 500 employees must adhere to the appropriate sector or workplace arrangements or compacts.

Further note: Sector-specific health protocols which must include provisions to limit the spread of COVID-19 in the sector concerned and to provide for circumstances where a firm cannot operate staggered working hours or provide transport to its employees, must be adhered to.

Further note: The regulations confirms relevant health protocols and social distancing measures for persons employed in private residences must be adhered to.

Final note: Employers must implement appropriate measures for employees who are over the age of 60 or those with co-morbidities to facilitate their safe return to work, which may include special measures at the work place to limit employees' exposure to COVID-19 infection and where possible for the employees to work from home.

Directions

There are a number of [formal gazetted directions](#) that must be read with the regulations. The following seem to be currently active COVID-19 directions, in addition to the directions mentioned in the notes above:

- (i) [Agriculture - spatial planning, land use management and land development processes](#) - duration not stated specifically (all directions end when the declaration finally ends);
- (ii) [Communications - electronic communications, postal and broadcasting](#) - valid for the duration of the declared national state of disaster;
- (iii) [Communications - minimum standards](#) - endure until termination of the national state of disaster;
- (iv) [Communications and digital - risk-adjusted strategy](#) - only provides for levels 5, 4 and 3 so will either become inactive by notice or default, or will be amended at some future stage;
- (v) [Communications - zero-rating education and health websites](#) - duration not stated specifically (all directions end when the declaration finally ends);
- (vi) [Environmental - biodiversity](#) - apply during alert level 3 (will either become inactive by notice or default, or will be amended at some future stage);
- (vii) [Environmental - fishing](#) - remain in force for the duration of alert level 3 (will either become inactive by notice or default, or will be amended at some future stage);
- (viii) [Environmental - national forests](#) - for alert level 3 (will either become inactive by notice or default, or will be amended at some future stage);
- (ix) [Environmental - processes](#) - apply during alert level 3 (will either become inactive by notice or default, or will be amended at some future stage);
- (x) [Financial - Financial Sector Conduct Authority, the Prudential Authority and the National Payment System Department](#) - references level 3, especially regulation 47 compliance officers (will either become inactive by notice or default, or will be amended at some future stage);

Note: Although not gazetted formally with the other COVID-19 directions these directions are included here for the sake of completeness and uniformity.

- (xi) [Justice - courts level 3](#) - apply in respect of alert level 3 (will either become inactive by notice or default, or will be amended at some future stage);
- (xii) [Justice - sales in execution](#) - references regulation 37 which is part of level 3 (will either become inactive by notice or default, or will be amended at some future stage);
- (xiii) [Sports, arts and culture-live streaming of the creative sector services](#) - terminates on the date that the Minister directs otherwise or when the national state of disaster terminates; and
- (xiv) [Water and sanitation emergency procurement](#) - duration not stated specifically (all directions end when the declaration finally ends).



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Tax

3. INCOME TAX ACT: DRAFT TAXATION LAWS AMENDMENT BILL

2020 

The Draft Taxation Laws Amendment Bill 2020 proposes amending:

- (i) [Sections 1](#) (controlled foreign company, financial instrument, gross income, living annuity, pension fund, pension preservation fund, provident fund, provident preservation fund, REIT, and retirement annuity fund);
- (ii) [Sections 7C](#) (anti-avoidance rules for trusts); [8](#) (reimbursing employees for business travel); [9](#) (sources of income); [9D](#) (controlled foreign companies); [9H](#) (anti-avoidance); and [9J](#) (interest of non-residents in immovable property);
- (iii) [Sections 9K](#) (listing of security outside SA); [10](#) (exemptions, including bursaries and foreign donor funded projects); [10B](#) (anti avoidance); [10C](#) (qualifying annuities); [11](#) (clarifying doubtful debt); [12DA](#) (deduction for rolling stock); [12F](#) (airports and ports assets); and [12J](#) (VCC shares);
- (iv) [Sections 12R](#) and [12S](#) (special economic zones); [13](#) [quat](#) (urban development zones); [13sept](#) certain low cost residential units); [15](#) (mining operations); [23](#) (short-term insurance policyholders); and [23A](#) (lessor allowances);
- (v) [Sections 24JB](#) (financial assets - tax avoidance); [25B](#) (trusts); [25BB](#) (REITs); [29A](#) (clarifying market value for long-term insurers); [31](#) (international transactions); and [36](#) (mining operations);
- (vi) [Sections 40CA](#) (anomalies in acquisition of assets for shares); [45](#) (refining anti-avoidance provisions in intra-group transactions); [46](#) (clarifying rollover relief in unbundling); [64](#) (rate of donations tax); and [64EB](#) (deemed beneficial owners of dividends - tax avoidance); and
- (vii) [Second Schedule](#) (clarifying deductions for contributions to retirement funds); [Seventh Schedule](#); [Eighth Schedule](#); [Ninth Schedule](#); [Tenth Schedule](#); and [Eleventh Schedule](#).

The Draft Bill also [proposes](#) corrections and updates to section 12C, 18A, and 20A, and amending several commencement dates.

Note: The memorandum to the Draft Bill states that, to ensure efficient application of the tax legislation, the definitions of pension preservation fund, provident preservation fund and retirement annuity fund should be

amended to remove the reference to payment of lump sum benefits when a member emigrates from SA and such emigration is recognised by the SARB for exchange control purposes. As such, a new test should be inserted which will make provision for the payment of lump sum benefits when a member ceases to be a SA tax resident (as defined in the Act), and such member has remained non-tax resident for at least three consecutive years or longer.

Comment deadline 31 August 2020.



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