### No. 34113 3

# GOVERNMENT NOTICE

# NATIONAL TREASURY

## No. R. 219

### 11 March 2011

# REGULATIONS MADE UNDER SECTION 13quat(9) OF THE INCOME TAX ACT, 1962 (ACT NO. 58 OF 1962)

The Minister of Finance has, under section 13quat(9) of the Income Tax Act (Act No. 58 of 1962), made the regulations set out in the Schedule hereto.

SCHEDULE

## Definitions

1. In these regulations, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Income Tax Act, 1962 (Act No. 58 of 1962), bears the meaning so assigned.

Reporting requirements in respect of buildings in urban development zones

2. A municipality must, in respect of each financial year of that municipality supply the Commissioner and the Minister with the following information —

- (a) in respect of certificates confirming that a building is located within an urban development zone within that municipality for the purposes of section 13quat(4)(a):
  - The name of every person to which the municipality issued such a certificate;

- (ii) the total number of such certificates issued to taxpayers by that municipality;
- (iii) the extent to which a building in respect of which such a certificate was issued is used for—
  - (aa) commercial purposes;
  - (bb) residential purposes;
  - (cc) low-cost residential units contemplated in section 13quat(3A); or
  - (dd) industrial purposes;
- (b) in respect of building plans to erect, extend, add to or improve a building or part of a building in each urban development zone within that municipality:
  - (i) The number of building plans approved; and
  - (ii) the estimated total cost of the erections, extensions, additions or improvements in respect of which such building plans were approved; and
- (c) (i) the total number of building plans approved by the municipality; and
  - (ii) the estimated total cost of the erections, extensions, additions or improvements in respect of which such building plans were approved.

# Reporting requirements in respect of regeneration of urban development zones

3. A municipality must, in respect of each financial year of that municipality supply the Commissioner and the Minister with the following information regarding—

- (a) the significant fiscal measures that have been implemented by that municipality as contemplated in section 13quat(6)(e) to support the regeneration of each urban development zone within that municipality, including----
  - the appropriation of significant funds for developing the area in the annual budget of the municipality; and
  - (ii) other fiscal measures for such development; and

(b) any non-monetary measures implemented to stimulate the regeneration of each urban development zone within that municipality.

## Format of reporting

4. A municipality must, in respect of each financial year of that municipality supply the Commissioner and the Minister with the information as required by these regulations in a format that corresponds with Form A annexed to these regulations.

## Time periods for reporting

5. The reports contemplated in regulations 2 and 3 must be submitted to the Commissioner and the Minister within 3 months after the end of each financial year of that municipality.

# Short title and commencement

6. These regulations are called the Regulations on reporting by municipalities in terms of Section 13quat(9) of the Income Tax Act, 1962.

PRAVIN J GORDHAN MINISTER OF FINANCE Date: 28-2-2011

### URBAN DEVELOPMENT ZONE INCENTIVE REPORT (Section 13 quat(9))

For the year up to June	20XX
Municipality:	Name of municipality

### PROJECT INFORMATION

1. Taxpayer name	2	. Costs incurred t	by the taxpayer to		3. The extent of use of the qualifying building for:							
	Erect a new building	Acquire a new building from a developer	Improve or extend an existing building	Acquire a building which was improved or extended by a developer	Commercial purposes	Low cost housing purposes	Other residential housing purposes	Industrial usage	Total %			
Examples: XYZ Ltd	500,000,000		500,000		10%	90%						
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Total Count		1	(S	11 A. 1								

#### MUNICIPAL DATA

4. Building plans passed for new buildings and improvements / extensions:approved in the municipality and in the UDZ during the reporting period

			NL	imber and valu	ie of	approved buildi	ing plans	201011							
		In UDZ.						In the municipality							
	New buildings			Improvements			New buildings			Improvements					
	Number	1	Value	Number	T	Value	Number		Value	Number		Value			
Example:	2	R	1.5 million	5	R	300.0 million	5,000	R	250.0 million	1,000	R	100.0 million			
		1						1			1				

5. Measures that have been implemented by the municipality to support the regeneration of that area:

54.0 C.1	Appropriati	ion of funds	Other non-monetary measures to stimulate UDZ's regeneration				
	Capital	Recurrent	Moasures	1	Value		
Example:			Expedite building plan approvat; Set up dedicated UDZ office	R	1.0 million		
pavements	R 2.0 million						
marketing		R 1.5 million		1			
Description	$\sum_{i=1}^{n} \frac{1}{i} \sum_{i=1}^{n} \frac{1}{i} \sum_{i$	البطبي إلى ال		Ĩ			
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