MOORE SOUTH AFRICA

PROPERTY & TAX GUIDE

2026 / 2027

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CONTENTS

IMPORTANT NOTE AND DISCLAIMER

TRANSFER DUTY ON IMMOVABLE PROPERTY

- Calculated on the value of immovable property
- Payable within six months after the transaction is entered into
- Exemptions apply with the most notable when the seller is a VAT vendor
- Where a VAT vendor purchases property from a non-vendor, the notional input tax is calculated by multiplying the tax fraction (15/115) by the lesser of the consideration paid or market value
- The acquisition of a contingent right in a trust that holds a residential property or the shares in a company or the member's interest in a close corporation, which owns residential property, comprising more than 50% of its assets, is subject to transfer duty at the applicable rate

Transfer duty, with effect from 1 April 2025, is calculated as follows:	
R1 – R1 210 000	0%
R1 210 001 – R1 663 800	3% of the value above R1 210 000
R1 663 801 – R2 329 300	R13 614 + 6% of the value above R 1 663 800
R2 329 301 – R2 994 800	R53 544 + 8% of the value above R 2 329 300
R2 994 801 – R13 310 000	R106 784 + 11% of the value above R2 994 800
R13 310 001 +	R1 241 456 + 13% of the value over R13 310 000

The most notable exemptions from transfer duty are the following:

- If the purchase price/value is R1 210 000 or less.
- If the transaction is subject to VAT (i.e. where the seller is a VAT vendor).
- In the event of immovable property being transferred to a person (including a close corporation, company or trust), in terms of a Last Will and Testament, or as a result of intestate succession.
- The transfer of any property to a surviving spouse, or divorced person, who acquires sole ownership of the whole or any portion of property registered in the name of his or her deceased or divorced spouse where that property or portion is transferred to that surviving or divorced spouse as a result of the death of his or her spouse or dissolution of the marriage or union.

NATURAL PERSON TAX RATES: 28 FEBRUARY 2027

TAXABLE INCOME	RATES OF TAX
R0 – R245 100	+ 18% of each R1
R245 101 – R383 100	R44 118 + 26% of the amount above R245 100
R383 101 – R530 200	R79 998 + 31% of the amount above R383 100
R530 201 – R695 800	R125 599 + 36% of the amount above R530 200
R695 801 – R887 000	R185 215 + 39% of the amount above R695 800
R887 001 – R1 878 600	R259 783 + 41% of the amount above R887 000
R1 878 601 and above	R666 339 + 45% of the amount above R1 878 600

NATURAL PERSON TAX RATES: 28 FEBRUARY 2026

TAXABLE INCOME	RATES OF TAX
R0 – R237 100	+ 18% of each R1
R237 101 – R370 500	R42 678 + 26% of the amount above R237 100
R370 501 – R512 800	R77 362 + 31% of the amount above R370 500
R512 801 – R673 000	R121 475 + 36% of the amount above R512 800
R673 001 – R857 900	R179 147 + 39% of the amount above R673 000
R857 901 – R1 817 000	R251 258 + 41% of the amount above R857 900
R1 817 001 and above	R644 489 + 45% of the amount above R1 817 000

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Rebates: Natural persons	**2025**	**2026**	**2027**
Primary	R17 235	R17 235	R17 820
Secondary (Persons 65 and older)	R9 444	R9 444	R9 765
Tertiary (Persons 75 and older)	R3 145	R3 145	R3 249

Thresholds: Natural persons	**2025**	**2026**	**2027**
Below age 65	R95 750	R95 750	R99 000
Age 65 to below 75	R148 217	R148 217	R153 250
Age 75 and over	R165 689	R165 689	R171 300

Interest Exemption: Natural persons	**2025**	**2026**	**2027**
Below age 65	R23 800	R23 800	R23 800
Age 65 and above	R34 500	R34 500	R34 500

IMMOVABLE PROPERTY SUBJECT TO CGT

CGT is payable on disposal of immovable property to the extent that the capital gains arise after 1 October 2001. Persons are subject to CGT on the following immovable property:

- Residents: On all assets (including immovable) disposed of including overseas assets.
- Non-residents: are subject to CGT on immovable property or any right or interest in a property situated in South Africa and any asset of a permanent establishment through which a trade is carried on in South Africa (SA).

Note: *Any right or interest in a property includes a direct or indirect interest of at least 20% held alone or together with any connected person in the equity share capital of a company, where at least 80% of the value of the net assets of the company is, at the time of the disposal, attributable to immovable property in South Africa.*

CGT CALCULATION AND INCLUSION RATES

The capital gain or loss is the difference between the proceeds on disposal and the base cost of the property.

Events that trigger a disposal include a sale, donation, exchange, loss, death, vesting of property in a beneficiary of a trust and emigration.

Proceeds are equal to the amount received by the taxpayer in respect of the disposal.

The base cost is calculated as follows for property bought after 1 October 2001:

- The purchase price; plus
- Allowable capital expenditure.

The base cost is calculated as follows for a property bought before 1 October 2001:

- The valuation date value of the property on 1 October 2001; plus
- Allowable capital expenditure incurred after 1 October 2001.

The valuation date value is calculated as follows:

- The market value on 1/10/2001 as determined by a valuation; or
- 20% of the proceeds after deducting the allowable capital expenditure incurred after valuation date; or
- The time apportioned base cost, as determined by a formula.

Allowable capital expenditure includes the following:

- The cost of acquiring, creating or improving the asset (excluding any borrowing costs).
- The cost for valuation of the property for CGT purposes.
- Cost incurred in respect of disposal of the property (including sales commission, advertising, valuation costs, accounting and legal costs, removal cost etc.).

A capital gain or loss is calculated separately in respect of each asset disposed. Once determined, gains or losses are combined for that year of assessment and if it is:

- An assessed capital loss, it is carried forward to the following year; or
- A net capital gain, it is multiplied by the inclusion rate and included in taxable income.
- Annual exclusion of R50 000 (R40 000 before 1 March 2026) capital gain or capital loss is granted to individuals and special trusts.
- Instead of the annual exclusion, the exclusion granted to individuals is R440 000 (R300 000 before 1 March 2026) for the year of death.

The inclusion rates are as follows:

PERSON	2025	2026	2027
Natural person and special trust	40%	40%	40%
Company	80%	80%	80%
Trust	80%	80%	80%

PRIMARY RESIDENCE EXCLUSION

When a primary residence is disposed of capital gains up to R3 million (R2 million before 1 March 2026) is exempt from CGT. The following are the main provisions relating to primary residences:

- The exemption is applicable to natural persons and special trusts.
- Only one residence at a time may be a primary residence of a person.
- The exemption is applicable if a person merely has an interest in the residence. As a result a share in a share block company and a usufruct may qualify (subject to further provisions).
- If the residence is held by more than one person as a primary residence an apportionment of the R3 million must be made in relation to their interest.
- An apportionment of the profit must be done if the person used the house as a primary residence for only part of the time it was owned. If a person was absent from the residence for less than 2 years as a result of the residence being offered for sale and vacated due to the intended acquisition of a new primary residence, the residence being erected on land acquired, the residence being accidently rendered uninhabitable or the death of that person, it will not be seen as an absence from the residence.
- When the residence is used partially for residential and partially for business purposes an apportionment must be done.
- If a person is absent from his residence for a continuous period of 5 years or less and lets the premises during this time, the absence will be ignored if the person stayed in the residence for a period of at least one year before and after the period it was let, no other residence was treated as a primary residence during this period and the person was absent from the residence due to being absent from South Africa or was employed or engaged in a business in South Africa at a location more than 250 kilometers from the residence.
- Where the residence is more than 2 hectares in size, the exemption only applies to the gain made on the residence and 2 hectares, provided that the land is used mainly for domestic or private purposes together with the residence and the land is disposed of at the same time and to the same person who buys the residence (this land could be unconsolidated and next to the residence to qualify).

WITHHOLDING TAX ON ACQUISITION OF PROPERTY FROM NON-RESIDENT

The purchaser must withhold CGT on the purchase price where assets are purchased from a non-resident except where the amount payable by the purchaser is less than R2 million. The amount withheld is an advance tax in respect of the sellers' liability for CGT. This withholding tax is not a final tax and is merely a prepayment of the expected CGT.

If the purchaser is a resident withholding tax must be paid within 14 days from the date on which the seller was paid and if the purchaser is a non-resident, within 28 days.

The following withholding tax rates are applicable and are based on the proceeds on disposal:

NON-RESIDENT SELLER	2025	2026	2027
Natural person	7.5%	7.5%	7.5%
Company	10%	10%	10%
Trust	15%	15%	15%

The seller may apply to SARS for a directive in order to reduce the amount to be withheld.

PRIME OVERDRAFT RATES

26 January	2023	10.75%
30 March	2023	11.25%
25 May	2023	11.75%
19 September	2024	11.50%
21 November	2024	11.25%
30 January	2025	11.00%
30 May	2025	10.75%
01 August	2025	10.50%
20 November	2025	10.25%
29 May	2026	10.50%

Individual, under 65 years of age, primary residence, valued at R1m at 1 October 2001, sold 7 March 2026 for R5m, costs to dispose asset were R50 000* Taxable income for year ended 28 February 2027 was R500 000	
	R
Proceeds	5 000 000
Less Base Cost	-1 050 000
Capital Gain	3 950 000
Less primary residence exclusion	-3 000 000
	950 000
Less annual exclusion (indiv)	-50 000
Net Capital Gain	900 000
At inclusion rate of 40%	360 000
R360 000 as taxable capital gain is included in the taxable income of the individual and taxed at the normal tax rates applicable, as follows:	
Taxable income	500 000
Taxable capital gain	360 000
Total Taxable income	860 000
Calculation:	
Tax per 2027 Tables	249 253
Less Rebate	-17 820
	231 433
Tax payable	231 433
R360 000/R860 000 × R231 433 = R96 879 Therefore R96 879 relates to the capital gain. As such the CGT % on the capital gain is R96 879/R3 950 000 × 100 = 2.45%	
*can include estate agents commission, costs, certificates of compliance (electrical, beetle, plumbing, gas and electrical fence compliance certificates, but not selling costs).	

THE DEED OF SALE

A written agreement must be drafted and signed. A verbal sale agreement in respect of immovable property is unenforceable and void in South Africa. The following are some important clauses to be borne in mind:

DESCRIPTION OF THE PROPERTY AND PARTIES

The property and parties must be properly defined, so as to be capable of identification from the very wording used in the agreement.

UNFAIR CONTRACT TERMS PROHIBITED

In terms of the Consumer Protection Act (68 of 2008), or “the CPA”, unfair contract terms are to be prohibited in deeds of sale to which the Act applies. Note that it is still ambiguous as to whether the CPA applies at all to residential property sales, as a seller in these “once off” private sales, may not be deemed to be a supplier selling goods in his/her ordinary course of business, as defined in the Act. Where the CPA does apply, each case will be determined on its merits as to what is deemed to be fair or unfair contract terms. Notwithstanding the above, the general view is that Section 49 of the CPA should be taken cognisance of in all cases– and provision should be made that any waiver of liability, assumption of an obligation, or waiver of a right is drawn specifically to the attention of both parties to the agreement in a conspicuous manner.

PURCHASE PRICE & PAYMENT

- The price offered must be clearly stated, written both numerically and alphabetically.
- Sellers normally do and should require the payment of a deposit, which shows good faith, and the financial ability on the part of the purchaser and also provides security for the seller to cover its losses should the purchaser breach the agreement. As a purchaser, it is advisable to stipulate that the deposit be held in trust in an interest-bearing account, for the purchaser’s benefit pending transfer by the conveyancer [and dealt with in accordance with Section 86(4) of the Legal Practice Act (28 of 2014)], or “the LPA”.

- The balance of the purchase price is normally secured by a bank guarantee, usually coupled with a mortgage bond to be registered over the property. The seller's conveyancer must make sure that guarantees are provided timeously, and the purchaser must ensure that the contract provides sufficient time to arrange finance and provide guarantees.

LEGAL PRACTICE ACT (LPA)

Section 86(4) of the LPA allows legal practitioners to invest client monies in a separate trust savings account where there is an underlying transaction with an explicit mandate from the client to do so. 5% of the interest earned will automatically be paid monthly to the Legal Practitioners Fidelity Fund by the bank (which has been approved by the LPFF). In addition, the Act requires an attorney who receives written instructions from a client, to set out the intended scope of the engagement with clarity and in writing, including estimated costs for the services to be provided.

FATCA

In order to invest funds, the requirement of disclosure of world-wide tax registration is required in terms of the US Foreign Account Tax Compliance Act, and an Inter-Governmental Agreement (IGA).

OCCUPATIONAL INTEREST

Where occupation takes place on a particular date and transfer takes place after the date of occupation, occupational interest is paid at an agreed amount for the period of occupation until transfer. In most cases this is paid by the purchaser, who may take occupation prior to transfer being registered. The terms should be stipulated in the deed of sale. In some cases, it is the seller who is the one who has to stay on in the property he or she has sold and where transfer has been registered. In this case, the seller will be required to pay occupational interest to the purchaser. In general, on occupation, risk passes to the purchaser. Clauses dealing with occupational interest and risk (who is at risk while the purchaser is in occupation) should be included in the deed of sale.

COMPLIANCE CERTIFICATES

The contract of sale is required to include clauses which deal with the Electrical, Beetle, Gas and Plumbing Certificate (where applicable). The City of Cape Town: Water Amendment By-law, 2018 provides that the seller must, before the transfer of a property, submit a plumbing Certificate of Compliance from a registered plumber (who must be registered with CoCT), certifying that any water installation (including alternative water connections) conform to the by-law and any National Building Regulations and Standards. Conveyancers attending to the transfer of a property are required to ensure that the requisite compliance certificates are received well before registration at the Deeds Office.

ELECTRIC FENCE REGULATIONS

Regulation 12 of the "Electrical Machinery Regulations" require that you have an "electric fence system certificate of compliance" if you install, add to, or alter an electric fence after 1 October 2012, or where there is a change of ownership of the premises on which the system exists, if the change of ownership takes place after 1 October 2012.

DISCLOSURE OF LISTED INVASIVE SPECIES

The National Environmental Management Biodiversity Act (10 of 2004) requires that the seller of an immovable property must, prior to the conclusion of the relevant sale agreement, notify the purchaser of such immovable property, in writing, of the presence of listed invasive species on the property. The obligation and the duty to remove could be negotiated between the seller and the purchaser.

BUILDING PLANS

The seller must ensure that all the buildings and structures on the property are approved by the relevant local authority before he places his home on the market for sale. It is best practice to include a clause in the sale agreement which deals with the building plans specifically. The clause may state that the property is sold subject to the condition that plan approval is obtained and provided to the purchaser prior to transfer, or that the purchaser acknowledges the absence of approved plans and accepts the liability for the risks associated therewith expressly, or a warranty clause that plans have been approved by the local authority. The seller cannot rely on the voetstoots clause to protect him in the event that plans are not approved, and he fails to disclose, as this will be deemed to be a latent defect known to the seller. When a new residential property is still under construction as at the date that the deed of sale is signed, draft specifications with the builder for the completion of the house should be attached to the sale agreement. Insert a special clause which states that the seller undertakes to complete the dwelling in accordance with the specification and local building by-laws, and that the seller undertakes to complete the dwelling for occupation on or before a specified date. In addition, ensure that the builder is registered with the National Home Builder Registration Council (NHBRC).

OCCUPATION CERTIFICATE

An Occupation Certificate is a requirement in terms of the National Building Regulations and Building Standards Act (103 of 1977), and is issued by the local authority. It ensures that, a building is fit for human occupation, by stating that the roof has been inspected by a truss installer or engineer and is safe, that the plans were properly approved, that all drainage and plumbing work has been certified, that the windows were approved by a Glazing Certificate, that there is an electrical certificate of compliance, that any zoning or similar amendments have been completed, that an engineering completion certificate from a structural or civil engineer stating the property is safe, has been issued, and that, if the property has a thatch roof, that a Fire Certificate has been obtained. The Occupation Certificate is essential, when applying for insurance on a property, or for a home loan / mortgage bond.

PROPERTY DISCLOSURE REPORT: CONSUMER PROTECTION

While it has always been best practice for sellers to provide a property defects disclosure document as part of the sale agreement, the Property Practitioners Act (22 of 2019) makes this obligatory. The Regulations provide the prescribed form for the report. It must be signed by all relevant parties and forms an integral part of the agreement. The sale agreement should expressly state which of the parties will be responsible for the costs incurred to correct any defects listed in the report. A property practitioner must not accept a mandate unless the seller has provided him with a fully signed mandatory disclosure, in the prescribed form. The property practitioner must provide a copy of this form to any prospective purchaser who intends to make an offer for the purchase of the property. Failure to comply may result in the property practitioner being held liable by an affected consumer, and the Regulatory Authority may take action against a property practitioner or impose an appropriate sanction.

Cash transactions and FICA:

The Financial Intelligence Centre Act (38 of 2001), as amended, provides that Accountable institutions (AI's), which include attorneys and estate agents, are required to file a report with the Financial Intelligence Centre in regard to any cash transactions involving domestic and foreign notes and coins, and travellers cheques above R49 999.99 or an aggregate thereof (i.e. smaller amounts that when taken together at the same time amount to over R49 999.99). In addition, the transferring attorney and the estate agent are required to request certain documents from both the seller and the purchaser, in compliance with FICA. If applicable, the bank, and the bank's attorneys granting the bond will also require documents, some of which are listed below:

Natural Person

- Identity document(s) and Income tax registration number (latest tax return submitted to SARS and VAT number – where applicable)
- Proof: marital status:marriage certificate, antenuptial contract, divorce orders, consent papers
- Either a utility bill (water or lights), or a levy account that is addressed to the natural person at his or her residential address, not older than 3 months

Estate agent

- VAT details, income tax details of agency and agent involved in the transaction

Trust

- Verification of all authorised Trustees and Beneficiaries (income tax, identity numbers and proof of residential addresses not older than 3 months)
- Letters of authority to act as Trustes and copy of the Trust Deed
- Resolution authorising Trustee to act on the Trust's behalf in the property transaction
- Income tax and VAT number (where applicable), of the Trust
- For bond registrations, the financial institution may require financial statements and/or personal suretyship from the Trustees

Company/Close Corporation

- Verification of all Directors and shareholders/members (income tax, identity numbers and proof of residential addresses not older than 3 months)
- Memorandum of Incorporation/Founding Statement (and amended where applicable)
- CoR 39 Certificate (Certificate of Director amendments)
- Resolution authorising Director/Member to act on entity's behalf in the property transaction
- Income tax and VAT number of the company/CC (where applicable)
- For bond registrations, the financial institution may require financial statements and/or personal suretyship from the shareholders/members

Companies and CC's

- For bond regisrations and transfers, a Factual Findings Report of the Auditor/Independent Reviewer/Accountant, and Certificate For A Transfer for a company/CC/signed by the Directors/members (whichever is applicable).

AI's are required to conduct greater and enhanced due diligence when dealing with persons who are "prominent and influential domestically", or are "foreign prominent public officials" (or their immediate family members, or known close associates). These lists are not exhaustive and are intended to give an idea of the required documentation for FICA compliance.

DEVELOPER'S RIGHT OF EXTENSION

A right of extension, in terms of Section 25 of the Sectional Titles Act (95 of 1986), allows the developer of a sectional title scheme to reserve a right in its favour, to erect further phases to the development, within a stipulated period and for its personal account, further buildings or extensions on a specified section of the common property, and to divide these buildings into sections. This clause should be specifically dealt with in the deed of sale. The purchaser needs to be advised and made aware as to whether the developer has or does not have a right of extension in terms of the sale agreement.

THE PROPERTY PRACTITIONERS ACT

The Property Practitioners Act (22 of 2019) aims to regulate all property practitioners (not just estate agents), including estate agents and agencies, property brokers, home inspectors, providers of bridging finance, bond brokers, marketers, auctioneers, property managers, sellers of time share, developers, rental agents, home owner associations (where a service is provided as intermediary primarily to sell/lease property in that home owner's association), digital portals that publicly exhibit properties, and employees of attorneys who act as estate agents. The Act specifically excludes a person who does not carry out any of these functions in the ordinary course of business, and a natural person who sells their own property (even if it is in the ordinary course of business), as well as attorneys, candidate attorneys and the Sheriffs of the Court. The Act applies to the marketing, promotion, managing, sale, letting, financing and purchase of immovable property. Some of its provisions include:

- **The Property Practitioners Regulatory Authority (PPRA)**
  - The Estate Agency Affairs Board (EAAB) has been replaced by the PPRA, known as the Board of Authority, which governs the property practitioners profession (not just estate agents). It is also required to conduct campaigns to educate and inform the general public of their rights and the obligations of property practitioners.
- **Transformation of Property Sectors**
  - When procuring property related goods and services, all organs of state must utilise the services of property practitioners who comply with the broad-based black economic empowerment and employment equity legislation and policies.
  - The PPRA must, within 6 months of its establishment, open a Property Sector Transformation Fund, into which grants are paid- with the aim of benefiting previously disadvantaged individuals (small black-owned property practitioners).
  - The Board must also consult with the services SETA to develop special dispensation for training and development of the historically disadvantaged.
  - The Minister may prescribe measures to promote economic transformation by facilitating the accessibility of finance for property ownership, development and investment in order to enable meaningful participation of historically disadvantaged individuals including women, youth and the disabled.
  - A purchaser/seller/tenant/lessor can request the agreement to be in any of South Africa's official languages, and this must be supplied by the seller.

- **Exemptions in respect of accounting records and trust accounts**
  - These exemptions are introduced to assist transformation within the industry.
  - Section 23 provides that a property practitioner, whose turnover is below R2.5 million, may not require an audit, but must cause his, her or its accounting records to be subjected to an independent review by a registered accountant, subject to the provisions of section 54(1)-(7) applied with the necessary changes. All property practitioners whose turnover is above R2.5 million must cause their accounting records to be audited within 6 months of their financial year end.
  - The Minister may by notice in the Government Gazette, determine circumstances where a property practitioner may be exempted from keeping trust accounts, and determine a different dispensation for the review of the accounting records for those property practitioners. The Regulations state that a property practitioner is exempted from keeping a trust account if he has never received any trust monies, or no longer receives the same, and he submits an affidavit to this effect to the Board of Authority.
  - A managing agent shall not be required to operate a trust account in respect of a body corporate where the funds of that body corporate are held in a bank account opened in the name of the body corporate in terms of Section 21(4)(a) of the Sectional Title's Schemes Management Act (8 of 2011).
- **Property Practitioners Fidelity Fund and Fidelity Fund Certificates**
  - The Estate Agents Fidelity Fund is now known as the Property Practitioners Fidelity Fund (PPFF). It has the purpose of reimbursing consumers who suffer financial loss by reason of theft of trust money committed by a property practitioner.
  - Every property practitioner must have a valid Fidelity Fund Certificate, and is prohibited from rendering services without it. He will not only be required to possess a valid Fidelity Fund Certificate, but also a Tax Clearance Certificate, and a valid BEE Certificate.
  - The property practitioner must apply to the Board of Authority for a Fidelity Fund Certificate every 3 years, and must display the Certificate in every place of business from where he conducts property transactions, to enable consumers to easily inspect it. The Board must issue the Certificate within 30 days. Failure to do so will result in the application being deemed to have been approved and the Board must upon written request by the applicant, produce the Certificate within 10 days.

- A valid Fidelity Fund Certificate must be held for all property practitioners within the agency or business. If an entity is a company, close corporation, trust or partnership, then every director, member, trustee and partner in that business must be issued with a Fidelity Fund Certificate, and failure to do so constitutes an offence.
- The Regulations provide that a property practitioner, who, on 1 February 2022 holds a Fidelity Fund Certificate issued under the previous Act shall be entitled to continue acting as a Property Practitioner under the Act, using such existing Fidelity Fund Certificate, until the end of the year during which the effective date falls.

- **Consumer protection – Property Defects Disclosure**
  - It is mandatory for sellers or lessors to provide a comprehensive property defects disclosure document as part of a property transfer or lease, which will form part of the sale or lease agreement, and no mandate may be accepted by a property practitioner from a seller or lessor without this document, and a copy thereof must be provided to a prospective purchaser or lessee of the property.

- **Inspectors, Compliance Notices and Record Storage**
  - Inspectors may be appointed by the CEO of the Board of Authority. They may, at any reasonable time, and without prior notice, warning or a warrant, conduct an inspection at the business premises of any property practitioner in order to determine whether the provisions of the Act have been complied with. If the property practitioner conducts his business at his private residence, the inspector must notify the property practitioner in advance and in writing. The inspector may issue compliance notices- which could include the imposition of a fine. The property practitioner is required to keep records, including correspondence, legal agreements, copies of advertising and marketing materials, for 5 years. These can be stored electronically.

- **Mediation, Adjudication and Appeal**
  - The Board of Authority may consider complaints by members of the public against property practitioners in respect of financing, marketing, managing, letting, hiring and the sale and purchase of property, and may refer the complaint for mediation. Should a property practitioner have been served with a compliance notice and has failed to comply, or to pay the fine stated therein timeously, or mediation has failed, the Board of Authority may cause a notice of adjudication to be served on that person. Any person aggrieved by the decision of adjudicator may appeal against such a decision to the Adjudication Appeal Committee.

- **Remuneration**
  - In order for a property practitioner to enforce the collection of remuneration (commission), a valid Fidelity Fund Certificate must be held for all property practitioners within the agency or business – and failure to have it may require the property practitioner to refund any commission paid by the seller. Agents may only receive commission from a property sale on registration (and this requirement cannot be amended by agreement). A conveyancer may not pay any remuneration or other monies to a property practitioner unless that property practitioner has provided the conveyancer with a certified copy of his, her or its Fidelity Fund Certificate, valid during the period, or on the date of the transaction to which the payment relates.

THE ELECTRONIC DEEDS REGISTRATION SYSTEMS ACT

The Electronic Deeds Registration Systems Act (19 of 2019) is in full operation as from 2 April 2025. The Act aims to facilitate the development of an Electronic Deeds Registration System, known as e-DRS – which will enable the electronic processing, preparation, lodgement and registration of deeds and documents by conveyancers and the Registrar of Deeds over the internet.

A dual registration process will be in place over the next five years, allowing for both manual and electronic lodgement and registration at the discretion of the conveyancer. Once registration is completed electronically, manual registration will no longer be permitted. The manual registration procedure will be phased out gradually and will ultimately be replaced by the electronic system.

THE PROTECTION OF PERSONAL INFORMATION ACT

- The Protection of Personal Information Act (4 of 2013), otherwise known as POPIA, promotes the protection of personal information by public and private bodies. The Information Regulator (IR) is the body responsible for education, monitoring, enforcement and compliance, as well as the handling of complaints, performing research and facilitating cross-border co-operation.
- Estate agents, intermediaries, property companies and other institutions conducting business in the property sector, are required to comply with the Act and its Regulations, which includes obtaining consent from client before any of their private information is used, and collecting and storing client information in such a way that only individuals with the necessary authorisation are able to access it. Neither estate agents nor conveyancers may share a client's information or pass it on to another organisation or body without the data subject's written consent, and have suitable systems and rules in place so as to properly safeguard the client's personal information. Estate agents will also not be allowed to hand over the information of tenants and interested purchasers to landlords and sellers without the necessary policies having been set up and permissions obtained. A breach may expose the holder of the information to a damages claim, and/or prosecution for a criminal offence – attracting a possible fine or a period of imprisonment, or both.
- Estate agents will need to be cognisant of the strict limits imposed by POPIA relating to direct marketing. They will need to obtain the necessary permissions in order to continue communications to clients such as sending newsletters and campaigns, online marketing, bulk emailing, special offers and latest listings.
- The POPIA Amendment Regulations were published on 17 April 2025 and took effect immediately. These Regulations have brought about, inter alia, the expansion of data subject rights in regard to the processing of their personal information.
- The IR is also working on a Guidance Note on direct marketing.

TAX IMPLICATIONS ON THE LEASING OF PROPERTY

For the landlord:

- All income received from rental of a property is of a revenue nature and has to be declared as part of a landlord's gross income.
- Deductions are available, such as: interest on bond repayments, repairs and maintenance, municipal rates and taxes, letting agent's fees (if applicable), and expenses not recovered from the tenant, such as security, utilities or garden services. In the case of a sectional title scheme, the levy is also deductible.
- In order for the deductions to be allowed the expenditure must have been actually incurred in the production of income and not be of a capital nature. The landlord must effectively be able to satisfy SARS that he is carrying on a bona fide trade through the rental of his property.
- The cost of improvements, reconstructions or additions to the property cannot be deducted, as these expenses are of a capital nature. Improvements made to leasehold property in terms of a lease agreement by the tenant must be included in the income of the landlord. Either the stipulated amount or a fair and reasonable value will be included. There may be relief available for the landlord, in terms of Section 11(h) of the Income Tax Act.

For the tenant:

- The tenant can claim the rental expense as a deduction for tax purposes if the rental payment or expenditure was actually incurred in the production of income.
- If improvements are made to leasehold property in terms of a lease agreement by the tenant, these must be included in the income of the landlord. Either the stipulated amount or a fair and reasonable value will be included.
- The tenant may deduct such expenditure over the period of the lease. The landlord may be entitled to discount the value of the improvements over the period of the lease or 25 years, whichever is the shorter.

THE RENTAL HOUSING ACT

The Rental Housing Act (50 of 1999), as amended, aims to regulate the relationship between tenants and landlords of residential property (utilised for dwelling purposes) in South Africa – by setting out general requirements relating to leases, laying down general principles and governing conflict resolution. The Rental Housing Tribunal's function is to ensure that unfair practices between landlords and tenants are eliminated and hence it interprets both the Act and the Procedural and Unfair Practice Regulations, where applicable, in its deliberations. The service is free to both tenants and landlords. A lease will be deemed to include a number of terms, which cannot be waived by either party, some of which are listed below:

- The landlord must furnish the tenant with written receipts for all payments received by the landlord from the tenant.
- If on the expiration of the lease, the tenant remains in the dwelling with the express or tacit consent of the landlord, the landlord and tenant are deemed, in the absence of a further written lease, to have entered into a periodic lease, on the same terms and conditions as the expired lease, except that at least one month's written notice must be given of the intention by either party to terminate the lease.
- A deposit must be invested by the landlord in an interest bearing account, such interest not to be less than the rate applicable to a savings account. During the period of the lease, the tenant is entitled to request proof from the landlord in respect of interest accrued.
- A tenant has the right, during the lease period, to privacy, and should the landlord wish to exercise his or her right of inspection, the inspection must be done in a reasonable manner after reasonable notice to the tenant.
- A landlord must provide a tenant with a dwelling that is fit and suitable to live in, maintain the existing structure of the dwelling and facilitate the provision of utilities to the dwelling.
- The Rental Housing Amendment Act (35 of 2014) addresses some of the shortcomings of the Act, and will come into operation on a date yet to be proclaimed. Until this date is proclaimed, the changes proposed by the Amendment Act may not be enforced. Some of the main changes that the Amendment Act aims to bring about are:
    - Leases must be reduced to writing. The onus will be on the landlord to make sure it is in writing.

- The deposit and interest accrued on it must be paid to the tenant within 7 days of the expiration of the lease, however a reasonable cost incurred in repairing damage to the dwelling may be deducted from the deposit, but relevant receipts reflecting these costs must be made available to the tenant for inspection. Failure by a landlord to repay the deposit to the tenant is a criminal offence.
- To clarify the rights and responsibilities of the tenant and the landlord.
- To strengthen the powers of the Rental Housing Tribunals.

REGULATIONS FOR NEW BUILDINGS AND ENERGY USAGE

The Energy Efficiency Regulations for energy usage in buildings provide that all new buildings and building extensions in South Africa must conform to the regulations on energy conservation, including homes, industrial buildings, hotels and schools. Building plans will not be approved without compliance, and Inspectors are required to confirm same, specifically energy usage requirements. No compliance – no Occupancy Certificate.

TAX ALLOWANCE FOR ENERGY-EFFICIENCY SAVINGS

Regulations on the tax allowance for Energy-efficiency savings stipulate that any company holding a certificate that can prove their energy savings are genuine, can submit the certificate to claim an allowance from SARS. The allowance is as contemplated in Section 12L (2) of the Income Tax Act, 1962. Section 12L provides that tax incentives are available for savings in all energy forms, and not only electricity. The energy-efficiency savings tax incentive is calculated at a rate of 95c/kWh and also applies to cogeneration projects.

COSTS OF BUYING & SELLING PROPERTY

TYPICAL COSTS OF BUYING

PURCHASE PRICE

- A deposit (usually 10% of the gross purchase price) to the estate agent or conveyancer payable usually on signature of the deed of sale by both parties or within 7 to 14 days from signature (if applicable).
- The balance of the purchase price is lodged with the conveyancer prior to transfer, or is secured by way of a bank guarantee. Over and above the purchase price, the purchaser should have the cash available to cover the transfer costs (if this is not included in the bond) and the bond registration costs as follows:

TRANSFER COSTS

- **Transfer duty** – calculated on a sliding scale between 0% to 13% of the gross purchase price, is payable to SARS (R0 to R1 210 000 is exempt).
- If the seller is a VAT vendor, then VAT is payable at 15% of the purchase price. As the seller is liable for payment, it is important to add the VAT to the purchase price, and to state clearly whether the agreed purchase price includes or excludes VAT. If nothing is stated, it is deemed to be inclusive of VAT, and the seller will be liable for VAT at the "tax fraction" (which equates to 13.04% of the gross price).
- The transaction may be zero-rated only when an income generating entity, which is also a going concern, is sold from a VAT vendor to a VAT vendor.
- **Conveyancing fees** – of the transferring attorney, may vary slightly according to rates set by the conveyancer who attends to the transfer, but are based on recommended fee guidelines from the law society (plus VAT).
- **Bond registration costs** – the purchaser normally pays the transfer and bond registration costs (plus VAT).
- **Other costs** – the bank may also charge a bond initiation fee – usually a base fee plus % of the loan amount, which is usually debited off home loan account. A homeowners insurance policy (to cover property and structures on it against natural disasters), home loan protection assurance (death, disability), moving costs, and telephone and internet connection costs may also need to be taken into account.

- **Deeds office / registration fees** – a fee which varies dependent on purchase price/value of property.
- **Sundry charges** – may include posts and petties payable to the transferring attorney, valuation certificates – a disbursement to the local authority to obtain valuation and rates clearance certificate – which varies depending on the local authority, electronic documentation generation fee costs, e-VAULT fees, deeds office search fees, a home-owners consent fee, FICA costs, and a transactional billing fee.
- **Occupational rental** – where the buyer takes occupation before registration of transfer of the property takes place, occupational rental is payable as per agreement and usually prior to and adjusted on registration of transfer.

TYPICAL COSTS OF SELLING

- **Estate agent's commission** – Commission rates are calculated as a % of the gross purchase price and should be negtiated upfront with the agent. Sellers need to establish very clearly what commission an agent proposes to charge before awarding a mandate and to ensure that the % agreed upon after any negotiation is written into the mandate document (where applicable) and establish whether such % includes VAT.
- **Beetle inspection, electrical inspection, plumbing and gas certificates** – the seller will be responsible for any repairs required before such a clearance certificate can be issued. The beetle inspection certificate may be required by inclusion in the contract of sale (KZN and Cape Provinces). The electrical inspection certificate is required to be obtained by the seller in terms of legislation – the Occupational Health and Safety Act (85 of 1993) – all provinces.
- **Bond cancellation fees** – to cancel an existing bond. Sellers should be aware that they need to give their financial institution 90 days notice of their intent to sell and in turn cancel their bond finance to avoid early termination penalties.
- **Rates and taxes** – the seller is normally liable to pay rates and taxes and utilities (levied by the local authority) up to the date of transfer. This may involve paying a 60 days rates in advance (Cape Town), payable to obtain clearance before registration of transfer (can vary from agreement to agreement). The seller may then claim a refund from council for any amount overpaid, covering the period after registration of transfer.
- **Electrical System Fence Certificate** – Usually this will be provided for in sale agreements concluded after 1 October 2012, which in most cases, will require the seller to bear the cost of ensuring compliance with specifications, together with the cost of obtaining the compliance certificate

PURCHASING VIA LEGAL ENTITIES – PRO'S & CON'S

COMPANY

ADVANTAGES

1. CC, trust, company can be shareholders
2. Strictly controlled by legislation Companies Act (71 of 2008) as amended
3. Can have more than 10 shareholders
4. Has greater image value than a CC or a trust as a business vehicle
5. Relatively easy sale of interest through a sale of shares
6. Shareholders agreement can neatly regulate the relationship between the shareholders (subject to the MOI and Act)
7. A bond may be registered subject to the solvency and liquidity requirements of Section 44

DISADVANTAGES

1. The costs of annual audit (where applicable)
2. Complex legislation applies, with increased compliance requirements

CLOSE CORPORATION

ADVANTAGES

1. Management is also represented by members who hold interest in the CC

DISADVANTAGES

1. Membership limited to 10 (only natural persons or trusts)
2. Since 2011, no new CC's may be registered

TRUST

ADVANTAGES

1. The trust is treated as an entity separate from the individuals
2. Assets don't form part of the insolvent estate in the event of sequestration
3. Strict controls – Trustees accountable to Master of the High Court
4. Special trusts formed for mentally ill or seriously disabled, will be allowed CGT exemption if primary residence (and meets other requirements to qualify)
5. Special trusts – taxed at individual rates
6. Trust deed can be set up so as to determine the manner in which Trustee administers the fixed property and the Trustee is dutybound to obey these wishes
7. The Trust Property Control Act (no. 57 of 1988), as recently amended, sets out guidelines for the administration of a trust in SA and introduces increased responsibilities and liabilities for trustees.

DISADVANTAGES

1. Cannot be sold as an entity
2. The beneficiaries normally have discretionary rights which are not assets that can be sold such as shares
3. Trustees cannot act until Letters of Authority have been issued

Transferring property into a trust should be considered in light of recent tax law amendments – trusts should no longer be created to simply limit taxes, but may still have other benefits. Each situation should be considered on its own merits (with the aid of specialists in the field).

APPLICABLE TO ALL ENTITIES

ADVANTAGES

1. Separate legal personality (CC's and Companies)
2. If shares held in trust, may protect the shares as long as not offered as security against a loan
3. Shares/Members interests can be sold
4. Continues to exist as an entity even in event of death or resignation of member/shareholder/director/trustee
5. Need not be in existence at time of signing agreement (CC's and Companies)

DISADVANTAGES

1. CGT – where property is held in Company/CC, ordinary trust, and special testamentary trust, no primary residence exemption allowed
2. Dividends tax levied on the shareholder at a rate of 20% on the amount of any dividend paid by a company (subject to certain exemptions). The tax is to be withheld by the company paying the taxable dividends and paid across to SARS
3. Transfer of members interest, shares – subject to Securities Transfer Tax at a rate of 0.25% on the transfer of listed or unlisted securities

ACQUISITION OF FIXED PROPERTY BY NON-RESIDENTS

Non-residents may invest in the Republic (including the acquisition of fixed property), provided that suitable documentary evidence is received in order to ensure that such transactions are concluded at arms' length, at fair market-related prices, and are financed in an approved manner. The following provisions relate to financial assistance in South Africa:

- Emigrants: Local financial assistance made available to emigrants is subject to the 1:1 ratio.
- Non-residents: Authorised Dealers may grant or authorise local financial assistance facilities to non-residents in respect of bona fide foreign direct investments into South Africa (including the acquisition of commercial property), without restrictions. Where the funds are required for the acquisition of residential property (or other financial transactions) in South Africa the 1:1 ratio will apply.
- Affected persons (i.e.where non-residents directly or indirectly owns 75% or more of an entity): There is no restriction on the amount that could be borrowed locally in instances where an affected person wishes to borrow locally to finance a foreign direct investment into South Africa (including the acquisition of commercial property), or for domestic working capital requirements. Wholly non-resident owned subsidiaries may borrow locally up to 100% of the total shareholders' investment in respect of the acquisition of residential property (and or other financial transactions) in South Africa.The effect of local participation in non-resident controlled entities is to make the abovementioned norms more liberal the greater the local participation, i.e. the ability to borrow locally increases. This is based on a formula.

DISPOSAL OF FIXED PROPERTY BY NON-RESIDENTS

Proceeds from the sale of assets, including immovable property by non-residents in South Africa may be remitted abroad, with submission of proof (records) that foreign funds were brought into South Africa in order to purchase the property. A non-resident who brings funds into South Africa in order to purchase property, and who obtains either permanent or temporary residency in South Africa, may remit the proceeds of the sale of the property abroad (with proof) asif he or she was a non-resident, within 5 years of becoming a permanent or temporary resident, however, after 5 years has passed, will be treated as a South African resident for these purposes. Where there is a lack of proof, a special application to the Reserve Bank can be made. Proceeds on the sale of assets, including immovable property in South Africa by Emigrants will be subject to the blocked account provisions, and withholding tax.

DECEASED ESTATES AND IMMOVABLE PROPERTY

When a person, who owns immovable property registered in his name at the date of his death, passes away, a number of scenarios may arise, as follows:

WHERE A PERSON DIES LEAVING A VALID LAST WILL AND TESTAMENT:

- A valid Last Will and Testament, in most cases, nominates an Executor to administer the estate (or a Master's Representative where the estate value is R250 000 or less).
- The immovable property will be transferred to the heir/s or beneficiaries as per the provisions of the Last Will and Testament.
- If the property is subject to a mortgage bond, and where no mention is made of a bond on the property, the Executor is required to settle the bond from the estate residue, and only then is he able to transfer the property to the heirs or beneficiaries, simultaneously with the cancellation of the bond.
- To protect any beneficiaries or heirs who are minors (under 18 years old), a testator may wish to set up a testamentary trust in his Last Will and Testament.
- Where agricultural property is bequeathed, the testator needs to be aware of Section 3 of the Subdivision of Agricultural Land Act (70 of 1970), which prevents the subdivision of agricultural land, and such land being registered in undivided shares in more than one person's name. This is especially relevant when the testator is considering bequeathing agricultural land to more than one beneficiary.
- If a testator bequeaths his immovable property to a number of heirs in equal shares (or otherwise), this may give rise to impracticalities due to the indivisibility of the bequest, and may give rise to a redistribution agreement being drawn up between the heirs.
- **To save costs and time, to protect beneficiaries/heirs, and ensure that a person's wishes are carried out, it is imperative that he executes a valid Last Will and Testament.**

NO VALID LAST WILL AND TESTAMENT (INTESTATE):

Where a person dies without leaving a valid Last Will and Testament:

- The estate is intestate, and the Master of the High Court will appoint an Executor or Master's Representative after receiving nominations from interested parties.
- A parent, surviving spouse or child of the testator may be appointed without having to provide security for the proper performance of his duties. In all other cases, the Executor will need to provide a bond of security to the Master – either issued by the Legal Practice Council or a financial institution.
- The immovable property will be transferred to the heir/s or beneficiaries in terms of the Intestate Succession Act (81 of 1987).

THE EXECUTOR'S DUTIES IN RELATION TO THE IMMOVABLE PROPERTY:

- The Executor is the only person who is lawfully authorised and empowered to deal with the assets of the deceased (including the immovable property), and until such time as he is appointed, no-one can act on behalf of the deceased estate.
- All Powers of Attorney executed by the deceased person before he died, will automatically fall away on his death, and this would include a Power of Attorney to register a transfer.
- The transfer of immovable property which was sold prior to the deceased's death, may proceed, however the Executor will be required to sign new documents, including a new Power of Attorney to register the transfer of the property.
- Once Letters of Executorship have been issued, the Executor may, in terms of the provisions of the Last Will and Testament or in terms of intestate succession (whichever is applicable), either pass transfer of the immovable property to the heir/s, or sell the immovable property to a third-party purchaser, provided consent is obtained from the heirs.

TRANSFER OF IMMOVABLE PROPERTY TO HEIRS:

- The transfer of the property to the heir/s cannot be registered before the Liquidation and Distribution Account has lain for inspection without objection, in terms of Section 35 of the Administration of Estates Act (66 of 1965).
- A Conveyancing Attorney will need to be appointed by the Executor, who will need to certify, in terms of Section 42 (1) of the Administration of Estates Act, that the transfer is in terms of the Liquidation and Distribution Account which has lain for inspection without objection, and that the transfer is in accordance with the Liquidation and Distribution Account.

- A Master's certified copy of the Last Will and Testament and next-of-kin-affidavit (in the case of an intestate estate) will need to be lodged at the Deeds Office with the other documents for registration.
- There will be no transfer duty payable.
- The deceased estate will bear the conveyancing costs including disbursements such as the Deeds Office fee.
- The deceased estate will also need to bear the cost of obtaining rates and levy clearance certificates – valid until after the anticipated date of registration of the immovable property.
- If the gross value of the estate is R250 000 or less, the Master of the High Court may, at his discretion, direct that the estate is wound up as a Section 18(3) estate, and will issue his written directions to the person charged with the duties (Master's Representative) in terms of which he is ordered to take control of the estate assets, pay the liabilities and transfer ownership of the residue to the beneficiaries. The remaining provisions of the Administration of Estates Act regarding the administration of the estate are not applicable. A Liquidation and Distribution Account does not need to be drawn up, there is no requirement for advertisements or a Section 42(1) certificate from the Conveyancer.

TRANSFER OF IMMOVABLE PROPERTY TO A SURVIVING SPOUSE:

- Where a deceased person was married out of community of property, there may be specific provisions in his antenuptial contract in regard to his immovable property, which may override his wishes in terms of his Last Will and Testament.
- Where a deceased person was married in community of property one half of his estate is owned by his surviving spouse as a consequence of the marriage. The other half of the immovable property will devolve either in terms of the deceased's Last Will and Testament or according to the rules of intestate succession (where applicable).
- If the deceased bequeathed his immovable property to his surviving spouse (either by way of Last Will and Testament or by intestate succession), the following taxation consequences are applicable:
  - Estate duty – There is no estate duty payable on all property accruing to a surviving spouse [Section 4q of the Estate Duty Act (45 of 1955)].
  - Transfer duty: There is no transfer duty payable.
  - Capital Gains Tax (CGT) consequences: immovable property bequeathed to a surviving spouse does not incur capital gains tax, as this will be subject to roll-over relief.

SALE OF THE PROPERTY BY EXECUTOR TO A THIRD-PARTY PURCHASER

- The Executor can cause the immovable property in the estate to be marketed and sold, before the Liquidation and Distribution Account has lain for inspection, where:
  - The Executor deems it beneficial to do so (for liquidity in the estate).
  - The deceased has specifically instructed that the property be sold in his Last Will and Testament.
  - The heirs or the beneficiary/s wish the property to be sold, or have entered into a redistribution agreement to this effect, and the heirs have consented to the sale and there is a clause in the agreement of sale stating that the sale is subject to the approval of the Master of the High Court.
- The Executor would sign the sale agreement in his capacity as such and in due course would sign the transfer documents, also in such capacity.
- The Conveyancer will need to obtain a Section 42(2) endorsement from the Master on the original Power of Attorney to pass transfer, to confirm the Master's approval.
- The costs of the transfer, including transfer duty, would be payable by the Purchaser.
- The deceased estate would carry the costs of obtaining rates and levy clearance certificates valid until after registration, and of cancelling any bonds registered over the property.
- Where the Executor sells the immovable property during the administration of the estate to a third-party purchaser, the value of such property may increase or decrease between the date of death and the date of sale, which may have capital gains tax implications for the estate.
- These CGT implications are discussed in more detail below.

THE DECEASED PERSON

- At death, the deceased person is deemed to have disposed of all his assets, including immovable property, to his estate, at an amount received or accrued equal to the market value at the time of death. Capital gains tax is activated through this deemed disposal.
- The R440 000 annual exclusion granted in the year of death of the individual will apply to these disposals made to the deceased estate.
- The exclusion for primary residence may apply (R3 million).
- The CGT inclusion rate of 40% applies to the deceased person, and this amount will attract tax at the deceased's marginal rate of income tax.
- An exclusion to this provision is provided in Section 9HA(2) read with Section 25(4) of the Income Tax Act (58 of 1962), which provides that where assets (including immovable property) are disposed of to a surviving spouse (by means of either intestate or testate succession, or by way of a redistribution agreement between the heirs or legatees), the liability for capital gains tax for the deceased person is postponed until the death of the surviving spouse or until such time as the surviving spouse disposes of it him or herself. This is known as "roll over relief" and is similar to the exemption in Section 4q of the Estate Duty Act, where the estate duty liability in respect of assets inherited by a surviving spouse is postponed.

SALE OF IMMOVABLE PROPERTY BY THE EXECUTOR AND CGT

- Where the Executor sells the immovable property during the administration of the estate to a third-party purchaser, the value of such property may increase or decrease between the date of death of the deceased and the date of sale of the property, which may have a capital gains tax implication for the estate.
- The proceeds would equal the selling price of the property, less the base cost equal to the market value of the property at date of death, which will result in either a capital gain or loss.
- Capital gains tax is levied in a deceased estate at the same rate as for individuals.
- The deceased estate will be entitled to the same exemptions and exclusions as would have been available to the deceased before his death (the annual exclusion of R50 000), however it will not be entitled to any assessed capital loss that might have remained in the estate of the deceased, or to the R440 000 annual exclusion, nor to the primary residence exclusion of R3 million. Deceased estates are not provisional taxpayers.

TRANSFER OF IMMOVABLE PROPERTY TO THE HEIRS/LEGATEES AND CGT

- In this case, the calculation for CGT will reflect the proceeds as equal to the market value of the property at date of death of the deceased, less the base cost equal to the market value of the property at date of death, resulting in a tax-neutral transfer of assets from the deceased estate to heirs or legatees.
- Under most circumstances, although capital gains tax may be paid at the death of the deceased (in terms of the deceased person's final income tax return, as described above), no further capital gains tax will be payable when an heir or legatee receives the property from the deceased estate.
- Capital gains tax will only arise again when the heir disposes of the property at a later stage, where the calculation will reflect the proceeds as equal to the selling price of the property, and the base cost equal to the market value of the property at the date of death of the deceased.

TRANSFER OF IMMOVABLE PROPERTY TO THE SURVIVING SPOUSE AND CGT

- All assets that pass to a surviving spouse (either by way of a Last Will and Testament, or by intestate succession, or by way of a redistribution agreement between the heirs/ legatees) are subject to "roll over" CGT relief.
- This means that capital gains tax is postponed until the surviving spouse disposes of the assets during his or her lifetime or at death- the capital gain is then determined from the date of acquisition by the first dying spouse and the base cost at such disposal is the base cost as incurred by the first dying spouse.
- The implication is that the original base cost is rolled over to the surviving spouse, and when he or she finally disposes of the property, capital gains tax will be levied on the difference between the proceeds and the original base cost.

TRUSTS

TAX RATES

Tax rates applicable to trusts are as follows:

TYPE OF TRUST	INCOME TAX RATES	CAPITAL GAINS TAX INCLUSION RATE
Normal Trust	45%	80%
Special Trust	Same as those applicable to natural persons, except that the rebates and interest exemptions do not apply.	40%

Note: A special trust is a trust created solely for the benefit of someone who suffers from a disability that prevents such person from earning sufficient income for their maintenance or from managing their own financial affairs. A special trust can also be created by way of a testamentary trust whereby relatives of the testator who are alive on the date of death are the beneficiaries. In order to qualify as a special trust, the youngest of the beneficiaries must, on the last day of the year of assessment of that trust, be under the age of 18 years.

CHECKLIST WHEN BUYING OR SELLING A PROPERTY FROM A TRUST

1. Review the Trust deed: review the clauses pertaining to the powers and authority of the Trustees to act. They must have the requisite capacity to contract on behalf of the trust regarding the acquisition or disposal of property, or power to obtain a mortgage bond or pass a mortgage bond over any immovable property held in trust by them.
2. Letters of Authority: trustees must be duly authorised to act in terms of the most recent Letters of Authority issued by the Master of the High Court, or Master's Certificate, if the trustees have changed.
3. FICA: obtain all signing Trustees' Identity documents, and other FICA documentation.
4. Board of Trustees: the Board must be properly constituted. The minimum number of Trustees required by the Trust Deed must be appointed.
5. Administrative requirements: provided the Trustees are authorised by the trust deed to delegate their authority to act, they must then issue the necessary authority for one Trustee to act on their behalf, failing which, all Trustees are required to sign the necessary documentation. A prior resolution of Trustees is required authorising the purchase or sale of any immovable property in the name of the Trust. If this is not effected, all of the Trustees will be required to sign the Deed of Sale.

ESTATE DUTY

The general rule is that if the taxpayer is ordinarily resident in the Republic at the time of death, all of his assets (including deemed property), wherever they are situated, will be included in the gross value of his estate for the determination of duty payable thereon. Estate duty is levied at 20% on the first R30 million of the dutiable estate. Estate duty will be levied at 25% on the dutiable estate in excess of R30 million. Estate duty is levied on the South African property of non-residents.

Deemed property includes insurance policies on the life of the deceased, claims in terms of the matrimonial property act as well as property that the deceased was competent to dispose of immediately prior to his death.

The most important deductions are:

- Debts due at date of death
- Bequests to public benefit organisations
- Bequests to a surviving spouse

The Act allows for a R3.5 million estate duty abatement. This abatement could rollover from the deceased to a surviving spouse, so that the surviving spouse can use a R7 million abatement on death. The portability of the deduction will apply to the extent that the first dying spouse did not use the whole abatement.

There is relief from Estate Duty in the case of the same property being included in the estates of taxpayers dying within ten years of each other. The deduction is calculated on a sliding scale varying from 100% where the taxpayers die within two years of each other and 20% where the deaths are within eight to ten years of each other.

Executor's remuneration

An executor is entitled to the following remuneration:

- The remuneration fixed by deceased in the will, or
- 3.5% of gross assets
- 6% on income accrued and collected from date of death

Executor's remuneration is subject to VAT where the executor is registered as a vendor.

DONATIONS TAX

Donations Tax is payable by any South African resident. The donations tax provisions do not apply to non-residents even if they donate South African assets. Donations tax is payable on the value of any gratuitous disposal of property (including the disposal of property for inadequate consideration) and the renunciation of rights.

PRINCIPAL EXEMPTIONS

- Donations between spouses
- Donations to charitable, ecclesiastical and educational institutions, and certain public bodies in the Republic of South Africa (limited to certain thresholds)
- Donations by natural persons not exceeding R150 000 (R100 000 before 1 March 2026) per year
- The donation of assets situated outside the Republic, subject to certain conditions
- Donations by companies not considered to be public companies up to R20 000 (R10 000 before 1 March 2026) per annum
- Donations where the donee will not benefit until the death of the donor
- Donations made by companies which are recognised as public companies for tax purposes
- Donations cancelled within six months of the effective date
- Property disposed of under and in pursuance of any trust
- Donations between companies forming part of the same group of companies
- Reasonable bona fide contributions to the maintenance of individuals

RATES

Donations tax is payable at the end of the month following the month in which the donation was made at a flat rate of 20% on the first R30 million donations. Donations tax on the donations in excess of R30 million will be 25%. Only donations from 1 March 2018 will count towards the R30m threshold.

MORTGAGE BOND REPAYMENT FACTORS

INTEREST	YEARS		
%	20	25	30
8.00	8.36	7.72	7.34
8.50	8.68	8.05	7.69
9.00	9.00	8.39	8.05
9.50	9.32	8.74	8.41
9.75	9.49	8.91	8.59
10.00	9.65	9.09	8.78
10.50	9.98	9.44	9.15
11.00	10.32	9.80	9.52
11.50	10.66	10.16	9.90
12.00	11.01	10.53	10.29
12.50	11.36	10.90	10.67
13.00	11.72	11.28	11.06
13.50	12.07	11.66	11.45
14.00	12.44	12.04	11.85
14.50	12.80	12.42	12.25
15.00	13.17	12.81	12.64
15.25	13.35	13.00	12.84
15.50	13.54	13.20	13.05
15.75	13.73	13.39	13.25
16.00	13.91	13.59	13.45
16.25	14.10	13.79	13.65
16.50	14.29	13.98	13.85
16.75	14.48	14.18	14.05
17.00	14.67	14.38	14.26
17.25	14.86	14.58	14.46
17.50	15.05	14.78	14.66
17.75	15.24	14.97	14.87

INTEREST	YEARS		
%	20	25	30
18.00	15.43	15.17	15.07
18.25	15.63	15.37	15.28
18.50	15.62	15.57	15.48
18.75	16.01	15.78	15.68
19.00	16.21	15.98	15.89
19.25	16.40	16.16	16.09
19.50	16.60	16.38	16.30
19.75	16.79	16.58	16.50
20.00	16.99	16.78	16.71
20.25	17.18	16.99	16.92
20.50	17.38	17.19	17.12
20.75	17.58	17.89	17.33
21.00	17.78	17.60	17.53
21.25	17.97	17.80	17.74
21.50	18.17	18.00	17.95
21.75	18.37	18.21	18.15
22.00	18.57	18.41	18.36
22.25	18.77	18.62	18.57
22.50	18.97	18.82	18.77
22.75	19.17	19.03	18.98
23.00	19.37	19.23	19.19
23.25	19.57	19.44	19.39
23.50	19.77	19.64	19.60
23.75	19.97	19.85	19.81
24.00	20.17	20.05	20.01
24.25	20.38	20.26	20.22
25.00	20.98	20.88	20.85

The table gives a monthly repayment per R1,000 of a loan with an interest rate ranging between 8% and 25% p.a, over a period of 20, 25 or 30 years. For example, if the loan is R100 000 at an interest rate of 10% p.a, to be repaid over 20 years, the monthly repayment is R100 000 divide by R1,000 × 9.65 which is R965. Monthly repayments of approximately R965 will be required to liquidate capital and interest on a bond of R100 000.

SALE OF PROPERTY TIMELINE

While the transfer process follows a series of successive stages, the time period involved varies considerably. Here are some guidelines:

- Cash transactions may take 6 to 8 weeks.
- In normal circumstances, from date of approval of conditions, approx 2 months.
- There will be a 4–6 week delay in the event that an application for a lost or destroyed Deed or Bond is required, including an additional expense in regard to the advertising requirement relating thereto.

Purchaser and Seller sign agreement — **Stage 1**

Stage 2

- Seller to advise bank of intention to cancel bond to avoid 90 day cancellation penalty
- Bond approved
- Fulfillment of other suspensive conditions
- Deposit paid
- Transferring, bond and cancellation attorneys instructed
- Parties to provide FICA documentation and copy of rates account
- Transfer attorney requests title deeds and cancellation figures from the bank, and prepares transfer documents for signature by parties
- Bond attorney advises transfer attorney of amount available for guarantees

Stage 3

- Purchaser pays transfer costs
- Rates clearance and valuation certificates applied for (seller pays rates and utilities to transferring attorney).
- Transfer attorney receives title deed and cancellation figures from cancellation attorneys and sends draft deed to bond attorney
- Bond documents prepared once draft deed received
- Cancellation attorney is requested to cancel seller's bond on receipt of guarantees from the new bond attorney, or purchaser's bankers
- Purchaser signs bond documents and pays bond registration costs
- Purchaser signs transfer documents
- Seller signs transfer documents
- Electrical, beetle, gas and electric fence certificates arranged (and plumbing, where appropriate)
- Electrical certificate required by bond attorneys

Stage 4

- Transfer attorney pays rates/levies and transfer duty to SARS (electronically)
- Bond attorneys send guarantees to the transfer or cancellation attorneys
- Transfer attorney obtains consent from the bondholder to cancel the seller's bond

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- Documents lodged at Deeds Office
- Documents are checked in the Deeds Office (+ 10 days, regulation: 7 days – dependent on closures of the Deeds Office due to Covid-19)
- Purchaser must pay the balance of the purchase price to transfer attorney before lodgement, or when called for in terms of the agreement

ON REGISTRATION:

- Financial institution's attorneys have bond amount available
- Property registered in purchaser's name. Seller's bond cancelled. Purchaser's bond registered

COMPARATIVE TAX RATES

CATEGORY	2025	2026	2027
NATURAL PERSONS			
■ Maximum marginal rate	45%	45%	45%
■ Reached at a taxable income	1 817 000	1 817 000	1 878 600
■ Minimum rate	18%	18%	18%
■ Up to taxable income of	237 100	237 100	245 100
■ CGT inclusion rate	40%	40%	40%
COMPANIES & CC's			
■ Normal tax rate	27%	27%	27%
■ Dividends Tax	20%	20%	20%
■ CGT inclusion rate	80%	80%	80%
TRUSTS (other than special trusts)			
■ Flat rate	45%	45%	45%
■ CGT inclusion rate	80%	80%	80%
DONATION TAX			
■ First R30m cumulative donations	20%	20%	20%
■ Cumulative donations in excess of R30m	25%	25%	25%
ESTATE DUTY			
■ Dutiable estate up to R30m	20%	20%	20%
■ Dutiable estate in excess of R30m	25%	25%	25%
VAT	15%	15%	15%
SMALL BUSINESS CORPORATIONS			
■ Maximum marginal rate	27%	27%	27%
■ Reached at a taxable income	550 000	550 000	550 000
■ Minimum rate	0%	0%	0%
■ Up to a taxable income of	95 750	95 750	99 000

ILLUSTRATIVE TABLE OF BOND AND TRANSFER COSTS

	Transfer Costs						Bond Costs			
Price/Value/ Bond amount R	Transfer fee (Excl)	VAT @ 15%	Deeds Office Levy	Total	Transfer Duty	Total	Bond fee (Excl)	VAT @ 15%	Deeds Office Levy	Total
100 000,00	6 875	1 031,25	50	7 956,25	0	7 956,25	6 875	1 031,25	561	8 467,25
100 000,01	7 975	1 196,25	114	9 285,25	0	9 285,25	7 975	1 196,25	561	9 732,25
200 000,00	9 075	1 361,25	114	10 550,25	0	10 550,25	9 075	1 361,25	727	11 163,25
200 000,01	10 175	1 526,25	727	12 428,25	0	12 428,25	10 175	1 526,25	727	12 428,25
300 000,00	11 275	1 691,25	727	13 693,25	0	13 693,25	11 275	1 691,25	727	13 693,25
300 000,01	12 375	1 856,25	956	15 187,25	0	15 187,25	12 375	1 856,25	956	15 187,25
400 000,00	13 475	2 021,25	956	16 452,25	0	16 452,25	13 475	2 021,25	956	16 452,25
400 000,01	14 575	2 186,25	956	17 717,25	0	17 717,25	14 575	2 186,25	956	17 717,25
500 000,00	15 675	2 351,25	956	18 982,25	0	18 982,25	15 675	2 351,25	956	18 982,25
500 000,01	17 795	2 669,25	956	21 420,25	0	21 420,25	17 795	2 669,25	956	21 420,25
600 000,00	17 795	2 669,25	956	21 420,25	0	21 420,25	17 795	2 669,25	956	21 420,25
600 000,01	19 915	2 987,25	1 346	24 248,25	0	24 248,25	19 915	2 987,25	1 346	24 248,25
700 000,00	19 915	2 987,25	1 346	24 248,25	0	24 248,25	19 915	2 987,25	1 346	24 248,25
700 000,01	22 035	3 305,25	1 346	26 686,25	0	26 686,25	22 035	3 305,25	1 346	26 686,25
800 000,00	22 035	3 305,25	1 346	26 686,25	0	26 686,25	22 035	3 305,25	1 346	26 686,25
800 000,01	24 155	3 623,25	1 546	29 324,25	0	29 324,25	24 155	3 623,25	1 546	29 324,25
900 000,00	24 155	3 623,25	1 546	29 324,25	0	29 324,25	24 155	3 623,25	1 546	29 324,25
900 000,01	26 275	3 941,25	1 546	31 762,25	0	31 762,25	26 275	3 941,25	1 546	31 762,25
950 000,00	26 275	3 941,25	1 546	31 762,25	0	31 762,25	26 275	3 941,25	1 546	31 762,25
1 000 000,00	26 275	3 941,25	1 546	31 762,25	0	31 762,25	26 275	3 941,25	1 546	31 762,25
1 000 000,01	28 395	4 259,25	1 738	34 392,25	0	34 392,25	28 395	4 259,25	1 738	34 392,25
1 050 000,00	28 395	4 259,25	1 738	34 392,25	0	34 392,25	28 395	4 259,25	1 738	34 392,25

1 100 000,00	28 395	4 259,25	1 738	34 392,25	0	34 392,25	28 395	4 259,25	1 738	34 392,25
1 150 000,00	28 395	4 259,25	1 738	34 392,25	0	34 392,25	28 395	4 259,25	1 738	34 392,25
1 200 000,00	28 395	4 259,25	1 738	34 392,25	0	34 392,25	28 395	4 259,25	1 738	34 392,25
1 200 000,01	30 515	4 577,25	1 738	36 830,25	0	36 830,25	30 515	4 577,25	1 738	36 830,25
1 210 000,00	30 515	4 577,25	1 738	36 830,25	0	36 830,25	30 515	4 577,25	1 738	36 830,25
1 210 001,00	30 515	4 577,25	1 738	36 830,25	0	36 830,28	30 515	4 577,25	1 738	36 830,25
1 250 000,00	30 515	4 577,25	1 738	36 830,25	1 200	38 030,25	30 515	4 577,25	1 738	36 830,25
1 300 000,00	30 515	4 577,25	1 738	36 830,25	2 700	39 530,25	30 515	4 577,25	1 738	36 830,25
1 300 000,01	30 515	4 577,25	1 738	36 830,25	2 700	39 530,25	30 515	4 577,25	1 738	36 830,25
1 350 000,00	30 515	4 577,25	1 738	36 830,25	4 200	41 030,25	30 515	4 577,25	1 738	36 830,25
1 400 000,00	30 515	4 577,25	1 738	36 830,25	5 700	42 530,25	30 515	4 577,25	1 738	36 830,25
1 400 000,01	32 635	4 895,25	1 738	39 268,25	5 700	44 968,25	32 635	4 895,25	1 738	39 268,25
1 450 000,00	32 635	4 895,25	1 738	39 268,25	7 200	46 468,25	32 635	4 895,25	1 738	39 268,25
1 500 000,00	32 635	4 895,25	1 738	39 268,25	8 700	47 968,25	32 635	4 895,25	1 738	39 268,25
1 500 000,01	32 635	4 895,25	1 738	39 268,25	8 700	47 968,25	32 635	4 895,25	1 738	39 268,25
1 550 000,00	32 635	4 895,25	1 738	39 268,25	10 200	49 468,25	32 635	4 895,25	1 738	39 268,25
1 600 000,00	32 635	4 895,25	1 738	39 268,25	11 700	50 968,25	32 635	4 895,25	1 738	39 268,25
1 600 000,01	34 755	5 213,25	1 738	41 706,25	11 700	53 406,25	34 755	5 213,25	1 738	41 706,25
1 650 000,00	34 755	5 213,25	1 738	41 706,25	13 200	54 906,25	34 755	5 213,25	1 738	41 706,25
1 663 800,00	34 755	5 213,25	1 738	41 706,25	13 614	55 320,25	34 755	5 213,25	1 738	41 706,25
1 663 801,00	34 755	5 213,25	1 738	41 706,25	13 614	55 320,31	34 755	5 213,25	1 738	41 706,25
1 700 000,00	34 755	5 213,25	1 738	41 706,25	15 786	57 492,25	34 755	5 213,25	1 738	41 706,25
1 700 000,01	34 755	5 213,25	1 738	41 706,25	15 786	57 492,25	34 755	5 213,25	1 738	41 706,25
1 750 000,00	34 755	5 213,25	1 738	41 706,25	18 786	60 492,25	34 755	5 213,25	1 738	41 706,25
1 800 000,00	34 755	5 213,25	1 738	41 706,25	21 786	63 492,25	34 755	5 213,25	1 738	41 706,25
1 800 000,01	36 875	5 531,25	1 738	44 144,25	21 786	65 930,25	36 875	5 531,25	1 738	44 144,25
1 850 000,00	36 875	5 531,25	1 738	44 144,25	24 786	68 930,25	36 875	5 531,25	1 738	44 144,25
1 900 000,00	36 875	5 531,25	1 738	44 144,25	27 786	71 930,25	36 875	5 531,25	1 738	44 144,25

ILLUSTRATIVE TABLE OF BOND AND TRANSFER COSTS

	Transfer Costs						Bond Costs			
Price/Value/ Bond amount R	Transfer fee (Excl)	VAT @ 15%	Deeds Office Levy	Total	Transfer Duty	Total	Bond fee (Excl)	VAT @ 15%	Deeds Office Levy	Total
1 900 000,01	36 875	5 531,25	1 738	44 144,25	27 786	71 930,25	36 875	5 531,25	1 738	44 144,25
1 950 000,00	36 875	5 531,25	1 738	44 144,25	30 786	74 930,25	36 875	5 531,25	1 738	44 144,25
2 000 000,00	36 875	5 531,25	1 738	44 144,25	33 786	77 930,25	36 875	5 531,25	1 738	44 144,25
2 000 000,01	38 995	5 849,25	2 408	47 252,25	33 786	81 038,25	38 995	5 849,25	2 408	47 252,25
2 050 000,00	38 995	5 849,25	2 408	47 252,25	36 786	84 038,25	38 995	5 849,25	2 408	47 252,25
2 100 000,00	38 995	5 849,25	2 408	47 252,25	39 786	87 038,25	38 995	5 849,25	2 408	47 252,25
2 150 000,00	38 995	5 849,25	2 408	47 252,25	42 786	90 038,25	38 995	5 849,25	2 408	47 252,25
2 200 000,00	38 995	5 849,25	2 408	47 252,25	45 786	93 038,25	38 995	5 849,25	2 408	47 252,25
2 250 000,00	41 115	6 167,25	2 408	49 690,25	48 786	98 476,25	41 115	6 167,25	2 408	49 690,25
2 300 000,00	41 115	6 167,25	2 408	49 690,25	51 786	101 476,25	41 115	6 167,25	2 408	49 690,25
2 329 300,00	41 115	6 167,25	2 408	49 690,25	53 544	103 234,25	41 115	6 167,25	2 408	49 690,25
2 329 301,00	41 115	6 167,25	2 408	49 690,25	53 544	103 234,33	41 115	6 167,25	2 408	49 690,25
2 350 000,00	41 115	6 167,25	2 408	49 690,25	55 200	104 890,25	41 115	6 167,25	2 408	49 690,25
2 400 000,00	41 115	6 167,25	2 408	49 690,25	59 200	108 890,25	41 115	6 167,25	2 408	49 690,25
2 450 000,00	43 235	6 485,25	2 408	52 128,25	63 200	115 328,25	43 235	6 485,25	2 408	52 128,25
2 500 000,00	43 235	6 485,25	2 408	52 128,25	67 200	119 328,25	43 235	6 485,25	2 408	52 128,25
2 550 000,00	43 235	6 485,25	2 408	52 128,25	71 200	123 328,25	43 235	6 485,25	2 408	52 128,25
2 600 000,00	43 235	6 485,25	2 408	52 128,25	75 200	127 328,25	43 235	6 485,25	2 408	52 128,25
2 650 000,00	45 355	6 803,25	2 408	54 566,25	79 200	133 766,25	45 355	6 803,25	2 408	54 566,25
2 700 000,00	45 355	6 803,25	2 408	54 566,25	83 200	137 766,25	45 355	6 803,25	2 408	54 566,25
2 750 000,00	45 355	6 803,25	2 408	54 566,25	87 200	141 766,25	45 355	6 803,25	2 408	54 566,25
2 800 000,00	45 355	6 803,25	2 408	54 566,25	91 200	145 766,25	45 355	6 803,25	2 408	54 566,25

2 850 000,00	47 475	7 121,25	2 408	57 004,25	95 200	152 204,25	47 475	7 121,25	2 408	57 004,25
2 900 000,00	47 475	7 121,25	2 408	57 004,25	99 200	156 204,25	47 475	7 121,25	2 408	57 004,25
2 950 000,00	47 475	7 121,25	2 408	57 004,25	103 200	160 204,25	47 475	7 121,25	2 408	57 004,25
2 994 800,00	47 475	7 121,25	2 408	57 004,25	106 784	163 788,25	47 475	7 121,25	2 408	57 004,25
2 994 801,00	47 475	7 121,25	2 408	57 004,25	106 784	163 788,36	47 475	7 121,25	2 408	57 004,25
3 000 000,00	47 475	7 121,25	2 408	57 004,25	107 356	164 360,25	47 475	7 121,25	2 408	57 004,25
3 100 000,00	49 595	7 439,25	2 408	59 442,25	118 356	177 798,25	49 595	7 439,25	2 408	59 442,25
3 100 000,01	49 595	7 439,25	2 408	59 442,25	118 356	177 798,25	49 595	7 439,25	2 408	59 442,25
3 150 000,00	49 595	7 439,25	2 408	59 442,25	123 856	183 298,25	49 595	7 439,25	2 408	59 442,25
3 200 000,00	49 595	7 439,25	2 408	59 442,25	129 356	188 798,25	49 595	7 439,25	2 408	59 442,25
3 200 000,01	51 715	7 757,25	2 408	61 880,25	129 356	191 236,25	51 715	7 757,25	2 408	61 880,25
3 250 000,00	51 715	7 757,25	2 408	61 880,25	134 856	196 736,25	51 715	7 757,25	2 408	61 880,25
3 300 000,00	51 715	7 757,25	2 408	61 880,25	140 356	202 236,25	51 715	7 757,25	2 408	61 880,25
3 300 000,01	51 715	7 757,25	2 408	61 880,25	140 356	202 236,25	51 715	7 757,25	2 408	61 880,25
3 350 000,00	51 715	7 757,25	2 408	61 880,25	145 856	207 736,25	51 715	7 757,25	2 408	61 880,25
3 400 000,00	51 715	7 757,25	2 408	61 880,25	151 356	213 236,25	51 715	7 757,25	2 408	61 880,25
3 400 000,01	53 835	8 075,25	2 408	64 318,25	151 356	215 674,25	53 835	8 075,25	2 408	64 318,25
3 450 000,00	53 835	8 075,25	2 408	64 318,25	156 856	221 174,25	53 835	8 075,25	2 408	64 318,25
3 500 000,00	53 835	8 075,25	2 408	64 318,25	162 356	226 674,25	53 835	8 075,25	2 408	64 318,25
3 500 000,01	53 835	8 075,25	2 408	64 318,25	162 356	226 674,25	53 835	8 075,25	2 408	64 318,25
3 550 000,00	53 835	8 075,25	2 408	64 318,25	167 856	232 174,25	53 835	8 075,25	2 408	64 318,25
3 600 000,00	53 835	8 075,25	2 408	64 318,25	173 356	237 674,25	53 835	8 075,25	2 408	64 318,25
3 600 000,01	55 955	8 393,25	2 408	66 756,25	173 356	240 112,25	55 955	8 393,25	2 408	66 756,25
3 650 000,00	55 955	8 393,25	2 408	66 756,25	178 856	245 612,25	55 955	8 393,25	2 408	66 756,25
3 700 000,00	55 955	8 393,25	2 408	66 756,25	184 356	251 112,25	55 955	8 393,25	2 408	66 756,25
3 700 000,01	55 955	8 393,25	2 408	66 756,25	184 356	251 112,25	55 955	8 393,25	2 408	66 756,25
3 750 000,00	55 955	8 393,25	2 408	66 756,25	189 856	256 612,25	55 955	8 393,25	2 408	66 756,25
3 800 000,00	55 955	8 393,25	2 408	66 756,25	195 356	262 112,25	55 955	8 393,25	2 408	66 756,25

ILLUSTRATIVE TABLE OF BOND AND TRANSFER COSTS

	Transfer Costs						Bond Costs			
Price/Value/ Bond amount R	Transfer fee (Excl)	VAT @ 15%	Deeds Office Levy	Total	Transfer Duty	Total	Bond fee (Excl)	VAT @ 15%	Deeds Office Levy	Total
3 800 000,01	58 075	8 711,25	2 408	69 194,25	195 356	264 550,25	58 075	8 711,25	2 408	69 194,25
3 850 000,00	58 075	8 711,25	2 408	69 194,25	200 856	270 050,25	58 075	8 711,25	2 408	69 194,25
3 900 000,00	58 075	8 711,25	2 408	69 194,25	206 356	275 550,25	58 075	8 711,25	2 408	69 194,25
3 900 000,01	58 075	8 711,25	2 408	69 194,25	206 356	275 550,25	58 075	8 711,25	2 408	69 194,25
3 950 000,00	58 075	8 711,25	2 408	69 194,25	211 856	281 050,25	58 075	8 711,25	2 408	69 194,25
4 000 000,00	58 075	8 711,25	2 408	69 194,25	217 356	286 550,25	58 075	8 711,25	2 408	69 194,25
4 000 000,01	60 195	9 029,25	2 922	72 146,25	217 356	289 502,25	60 195	9 029,25	2 922	72 146,25
4 050 000,00	60 195	9 029,25	2 922	72 146,25	222 856	295 002,25	60 195	9 029,25	2 922	72 146,25
4 100 000,00	60 195	9 029,25	2 922	72 146,25	228 356	300 502,25	60 195	9 029,25	2 922	72 146,25
4 200 000,00	60 195	9 029,25	2 922	72 146,25	239 356	311 502,25	60 195	9 029,25	2 922	72 146,25
4 250 000,00	62 315	9 347,25	2 922	74 584,25	244 856	319 440,25	62 315	9 347,25	2 922	74 584,25
4 300 000,00	62 315	9 347,25	2 922	74 584,25	250 356	324 940,25	62 315	9 347,25	2 922	74 584,25
4 400 000,00	62 315	9 347,25	2 922	74 584,25	261 356	335 940,25	62 315	9 347,25	2 922	74 584,25
4 400 000,01	64 435	9 665,25	2 922	77 022,25	261 356	338 378,25	64 435	9 665,25	2 922	77 022,25
4 450 000,00	64 435	9 665,25	2 922	77 022,25	266 856	343 878,25	64 435	9 665,25	2 922	77 022,25
4 500 000,00	64 435	9 665,25	2 922	77 022,25	272 356	349 378,25	64 435	9 665,25	2 922	77 022,25
4 550 000,00	64 435	9 665,25	2 922	77 022,25	277 856	354 878,25	64 435	9 665,25	2 922	77 022,25
4 600 000,00	64 435	9 665,25	2 922	77 022,25	283 356	360 378,25	64 435	9 665,25	2 922	77 022,25
4 650 000,00	66 555	9 983,25	2 922	79 460,25	288 856	368 316,25	66 555	9 983,25	2 922	79 460,25
4 700 000,00	66 555	9 983,25	2 922	79 460,25	294 356	373 816,25	66 555	9 983,25	2 922	79 460,25
4 800 000,00	66 555	9 983,25	2 922	79 460,25	305 356	384 816,25	66 555	9 983,25	2 922	79 460,25
4 850 000,00	68 675	10 301,25	2 922	81 898,25	310 856	392 754,25	68 675	10 301,25	2 922	81 898,25

4 900 000,00	68 675	10 301,25	2 922	81 898,25	316 356	398 254,25	68 675	10 301,25	2 922	81 898,25
4 950 000,00	68 675	10 301,25	2 922	81 898,25	321 856	403 754,25	68 675	10 301,25	2 922	81 898,25
5 000 000,00	68 675	10 301,25	2 922	81 898,25	327 356	409 254,25	68 675	10 301,25	2 922	81 898,25
5 000 000,01	74 015	11 102,25	2 922	88 039,25	327 356	415 395,25	74 015	11 102,25	2 922	88 039,25
5 050 000,00	74 015	11 102,25	2 922	88 039,25	332 856	420 895,25	74 015	11 102,25	2 922	88 039,25
5 100 000,00	74 015	11 102,25	2 922	88 039,25	338 356	426 395,25	74 015	11 102,25	2 922	88 039,25
5 150 000,00	74 015	11 102,25	2 922	88 039,25	343 856	431 895,25	74 015	11 102,25	2 922	88 039,25
5 200 000,00	74 015	11 102,25	2 922	88 039,25	349 356	437 395,25	74 015	11 102,25	2 922	88 039,25
5 250 000,00	74 015	11 102,25	2 922	88 039,25	354 856	442 895,25	74 015	11 102,25	2 922	88 039,25
5 300 000,00	74 015	11 102,25	2 922	88 039,25	360 356	448 395,25	74 015	11 102,25	2 922	88 039,25
5 350 000,00	74 015	11 102,25	2 922	88 039,25	365 856	453 895,25	74 015	11 102,25	2 922	88 039,25
5 400 000,00	74 015	11 102,25	2 922	88 039,25	371 356	459 395,25	74 015	11 102,25	2 922	88 039,25
5 500 000,00	74 015	11 102,25	2 922	88 039,25	382 356	470 395,25	74 015	11 102,25	2 922	88 039,25
5 550 000,00	74 015	11 102,25	2 922	88 039,25	387 856	475 895,25	74 015	11 102,25	2 922	88 039,25
5 600 000,00	74 015	11 102,25	2 922	88 039,25	393 356	481 395,25	74 015	11 102,25	2 922	88 039,25
5 650 000,00	74 015	11 102,25	2 922	88 039,25	398 856	486 895,25	74 015	11 102,25	2 922	88 039,25
5 700 000,00	74 015	11 102,25	2 922	88 039,25	404 356	492 395,25	74 015	11 102,25	2 922	88 039,25
5 750 000,00	74 015	11 102,25	2 922	88 039,25	409 856	497 895,25	74 015	11 102,25	2 922	88 039,25
5 800 000,00	74 015	11 102,25	2 922	88 039,25	415 356	503 395,25	74 015	11 102,25	2 922	88 039,25
5 850 000,00	74 015	11 102,25	2 922	88 039,25	420 856	508 895,25	74 015	11 102,25	2 922	88 039,25
5 900 000,00	74 015	11 102,25	2 922	88 039,25	426 356	514 395,25	74 015	11 102,25	2 922	88 039,25
5 950 000,00	74 015	11 102,25	2 922	88 039,25	431 856	519 895,25	74 015	11 102,25	2 922	88 039,25
6 000 000,00	74 015	11 102,25	2 922	88 039,25	437 356	525 395,25	74 015	11 102,25	2 922	88 039,25
6 000 000,01	79 355	11 903,25	3 480	94 738,25	437 356	532 094,25	79 355	11 903,25	3 480	94 738,25
6 050 000,00	79 355	11 903,25	3 480	94 738,25	442 856	537 594,25	79 355	11 903,25	3 480	94 738,25
6 100 000,00	79 355	11 903,25	3 480	94 738,25	448 356	543 094,25	79 355	11 903,25	3 480	94 738,25
6 150 000,00	79 355	11 903,25	3 480	94 738,25	453 856	548 594,25	79 355	11 903,25	3 480	94 738,25
6 200 000,00	79 355	11 903,25	3 480	94 738,25	459 356	554 094,25	79 355	11 903,25	3 480	94 738,25

ILLUSTRATIVE TABLE OF BOND AND TRANSFER COSTS

	Transfer Costs						Bond Costs			
Price/Value/ Bond amount R	Transfer fee (Excl)	VAT @ 15%	Deeds Office Levy	Total	Transfer Duty	Total	Bond fee (Excl)	VAT @ 15%	Deeds Office Levy	Total
6 300 000,00	79 355	11 903,25	3 480	94 738,25	470 356	565 094,25	79 355	11 903,25	3 480	94 738,25
6 350 000,00	79 355	11 903,25	3 480	94 738,25	475 856	570 594,25	79 355	11 903,25	3 480	94 738,25
6 400 000,00	79 355	11 903,25	3 480	94 738,25	481 356	576 094,25	79 355	11 903,25	3 480	94 738,25
6 500 000,00	79 355	11 903,25	3 480	94 738,25	492 356	587 094,25	79 355	11 903,25	3 480	94 738,25
6 550 000,00	79 355	11 903,25	3 480	94 738,25	497 856	592 594,25	79 355	11 903,25	3 480	94 738,25
6 600 000,00	79 355	11 903,25	3 480	94 738,25	503 356	598 094,25	79 355	11 903,25	3 480	94 738,25
6 700 000,00	79 355	11 903,25	3 480	94 738,25	514 356	609 094,25	79 355	11 903,25	3 480	94 738,25
6 750 000,00	79 355	11 903,25	3 480	94 738,25	519 856	614 594,25	79 355	11 903,25	3 480	94 738,25
6 800 000,00	79 355	11 903,25	3 480	94 738,25	525 356	620 094,25	79 355	11 903,25	3 480	94 738,25
6 850 000,00	79 355	11 903,25	3 480	94 738,25	530 856	625 594,25	79 355	11 903,25	3 480	94 738,25
6 900 000,00	79 355	11 903,25	3 480	94 738,25	536 356	631 094,25	79 355	11 903,25	3 480	94 738,25
6 950 000,00	79 355	11 903,25	3 480	94 738,25	541 856	636 594,25	79 355	11 903,25	3 480	94 738,25
7 000 000,00	79 355	11 903,25	3 480	94 738,25	547 356	642 094,25	79 355	11 903,25	3 480	94 738,25
7 000 000,01	84 695	12 704,25	3 480	100 879,25	547 356	648 235,25	84 695	12 704,25	3 480	100 879,25
7 100 000,00	84 695	12 704,25	3 480	100 879,25	558 356	659 235,25	84 695	12 704,25	3 480	100 879,25
7 200 000,00	84 695	12 704,25	3 480	100 879,25	569 356	670 235,25	84 695	12 704,25	3 480	100 879,25
7 300 000,00	84 695	12 704,25	3 480	100 879,25	580 356	681 235,25	84 695	12 704,25	3 480	100 879,25
7 400 000,00	84 695	12 704,25	3 480	100 879,25	591 356	692 235,25	84 695	12 704,25	3 480	100 879,25
7 500 000,00	84 695	12 704,25	3 480	100 879,25	602 356	703 235,25	84 695	12 704,25	3 480	100 879,25
7 600 000,00	84 695	12 704,25	3 480	100 879,25	613 356	714 235,25	84 695	12 704,25	3 480	100 879,25
7 700 000,00	84 695	12 704,25	3 480	100 879,25	624 356	725 235,25	84 695	12 704,25	3 480	100 879,25
7 800 000,00	84 695	12 704,25	3 480	100 879,25	635 356	736 235,25	84 695	12 704,25	3 480	100 879,25

7 850 000,00	84 695	12 704,25	3 480	100 879,25	640 856	741 735,25	84 695	12 704,25	3 480	100 879,25
7 900 000,00	84 695	12 704,25	3 480	100 879,25	646 356	747 235,25	84 695	12 704,25	3 480	100 879,25
8 000 000,00	84 695	12 704,25	3 480	100 879,25	657 356	758 235,25	84 695	12 704,25	3 480	100 879,25
8 000 000,01	90 035	13 505,25	4 068	107 608,25	657 356	764 964,25	90 035	13 505,25	4 068	107 608,25
8 100 000,00	90 035	13 505,25	4 068	107 608,25	668 356	775 964,25	90 035	13 505,25	4 068	107 608,25
8 200 000,00	90 035	13 505,25	4 068	107 608,25	679 356	786 964,25	90 035	13 505,25	4 068	107 608,25
8 400 000,00	90 035	13 505,25	4 068	107 608,25	701 356	808 964,25	90 035	13 505,25	4 068	107 608,25
8 500 000,00	90 035	13 505,25	4 068	107 608,25	712 356	819 964,25	90 035	13 505,25	4 068	107 608,25
8 600 000,00	90 035	13 505,25	4 068	107 608,25	723 356	830 964,25	90 035	13 505,25	4 068	107 608,25
8 700 000,00	90 035	13 505,25	4 068	107 608,25	734 356	841 964,25	90 035	13 505,25	4 068	107 608,25
8 800 000,00	90 035	13 505,25	4 068	107 608,25	745 356	852 964,25	90 035	13 505,25	4 068	107 608,25
8 900 000,00	90 035	13 505,25	4 068	107 608,25	756 356	863 964,25	90 035	13 505,25	4 068	107 608,25
9 000 000,00	90 035	13 505,25	4 068	107 608,25	767 356	874 964,25	90 035	13 505,25	4 068	107 608,25
9 000 000,01	95 375	14 306,25	4 068	113 749,25	767 356	881 105,25	95 375	14 306,25	4 068	113 749,25
9 100 000,00	95 375	14 306,25	4 068	113 749,25	778 356	892 105,25	95 375	14 306,25	4 068	113 749,25
9 200 000,00	95 375	14 306,25	4 068	113 749,25	789 356	903 105,25	95 375	14 306,25	4 068	113 749,25
9 300 000,00	95 375	14 306,25	4 068	113 749,25	800 356	914 105,25	95 375	14 306,25	4 068	113 749,25
9 400 000,00	95 375	14 306,25	4 068	113 749,25	811 356	925 105,25	95 375	14 306,25	4 068	113 749,25
9 500 000,00	95 375	14 306,25	4 068	113 749,25	822 356	936 105,25	95 375	14 306,25	4 068	113 749,25
9 600 000,00	95 375	14 306,25	4 068	113 749,25	833 356	947 105,25	95 375	14 306,25	4 068	113 749,25
9 700 000,00	95 375	14 306,25	4 068	113 749,25	844 356	958 105,25	95 375	14 306,25	4 068	113 749,25
9 800 000,00	95 375	14 306,25	4 068	113 749,25	855 356	969 105,25	95 375	14 306,25	4 068	113 749,25
9 900 000,00	95 375	14 306,25	4 068	113 749,25	866 356	980 105,25	95 375	14 306,25	4 068	113 749,25
10 000 000,00	95 375	14 306,25	4 068	113 749,25	877 356	991 105,25	95 375	14 306,25	4 068	113 749,25
11 000 000,00	100 715	15 107,25	4 844	120 666,25	987 356	1 108 022,25	100 715	15 107,25	4 844	120 666,25
12 000 000,00	106 055	15 908,25	4 844	126 807,25	1 097 356	1 224 163,25	106 055	15 908,25	4 844	126 807,25
13 000 000,00	111 395	16 709,25	4 844	132 948,25	1 207 356	1 340 304,25	111 395	16 709,25	4 844	132 948,25
13 310 000,00	111 395	16 709,25	4 844	132 948,25	1 241 456	1 374 404,25	111 395	16 709,25	4 844	132 948,25

ILLUSTRATIVE TABLE OF BOND AND TRANSFER COSTS

	Transfer Costs						Bond Costs			
Price/Value/ Bond amount R	Transfer fee (Excl)	VAT @ 15%	Deeds Office Levy	Total	Transfer Duty	Total	Bond fee (Excl)	VAT @ 15%	Deeds Office Levy	Total
13 310 001,00	111 395	16 709,25	4 844	132 948,25	1 241 456	1 374 404,38	111 395	16 709,25	4 844	132 948,25
14 000 000,00	116 735	17 510,25	4 844	139 089,25	1 331 156	1 470 245,25	116 735	17 510,25	4 844	139 089,25
15 000 000,00	122 075	18 311,25	4 844	145 230,25	1 461 156	1 606 386,25	122 075	18 311,25	4 844	145 230,25
16 000 000,00	127 415	19 112,25	5 818	152 345,25	1 591 156	1 743 501,25	127 415	19 112,25	5 818	152 345,25
17 000 000,00	132 755	19 913,25	5 818	158 486,25	1 721 156	1 879 642,25	132 755	19 913,25	5 818	158 486,25
18 000 000,00	138 095	20 714,25	5 818	164 627,25	1 851 156	2 015 783,25	138 095	20 714,25	5 818	164 627,25
19 000 000,00	143 435	21 515,25	5 818	170 768,25	1 981 156	2 151 924,25	143 435	21 515,25	5 818	170 768,25
20 000 000,00	148 775	22 316,25	5 818	176 909,25	2 111 156	2 288 065,25	148 775	22 316,25	5 818	176 909,25
25 000 000,00	175 475	26 321,25	7 751	209 547,25	2 761 156	2 970 703,25	175 475	26 321,25	6 781	208 577,25
30 000 000,00	202 175	30 326,25	7 751	240 252,25	3 411 156	3 651 408,25	202 175	30 326,25	6 781	239 282,25
30 000 000,01	207 515	31 127,25	7 751	246 393,25	3 411 156	3 657 549,25	207 515	31 127,25	9 690	248 332,25

NOTES:

Transfer and bond costs not inclusive of FICA costs, and any other disbursements, such as post and petties, rates clearance and/or levies, cancellation costs of existing bond, bank initiation and valuation fee, electronic document generation, e-Vault and deeds office search fees, a home-owners consent fee and transactional billing fees (where applicable) – for which provision should also be made. Whilst every care is taken with compiling these tables, we reserve the right to correct any possible inaccuracies and cannot be bound by them.

NB: the conveyancing fees serve as a GUIDELINE only as per recommended guidelines of fees and are subject to change and updates issued by the various law societies from time to time. This fees guideline relates to instructions received as from 1 July 2026. The Deeds Office fees are according to Government Gazette dated 27 February 2026, effective from 1 April 2026. The table is illustrative in nature, and is intended to provide an estimated idea of costs to be expected by a purchaser of property in South Africa. Mere reference to the tables may result in misapprehension as to the costs involved, and fees may vary from the guideline based on each matter quoted for.