Withholding Tax on Interest - Exemption or Reduced Rate Declaration

Ashburton Management Company (RF) (Proprietary) Limited (Reg number 1996/002547/07) is an approved collective investments scheme manager regulated by the Financial Sector Conduct Authority (FSCA) and is a full member of the Association for Savings and Investments South Africa.

Instructions

1. This form is to be completed by a foreign person (i.e. a non-resident natural or corporate person) and relates to:
   a. Exemptions from Withholding Tax on Interest referred to in section 50D(3) of the Income Tax Act, 1962 (Act No 58 of 1962) ("the Act");
   b. The reduced rate of Withholding Tax on Interest referred to in section 50E(3) of the Act;
   c. If section 50D(3) of the Act applies the foreign person must complete only the first declaration in section 3;
   d. If section 50E(3) of the Act applies the foreign person must complete only the second declaration in section 4; or
   e. The provisions of a Double Taxation Agreement (DTA) between the Republic of South Africa and the country of residence of the foreign person.
2. Interest payments to foreign persons are exempt from Withholding Tax on Interest under the following circumstances, in which event no Declaration need be completed:
   a. Interest paid by the government of the Republic in the national, provincial or local sphere
   b. Interest paid by any bank (as defined in section 1 of the Banks Act, No. 94 of 1990), the South African Reserve Bank, the Development Bank of Southern Africa or the Industrial Development Corporation;
   c. Interest paid by a headquarter company in respect of the granting of financial assistance as defined in section 31(1) to which section 31 of the Act does not apply as a result of the exclusions contained in section 31(5)(a);
   d. Interest paid in respect of any listed debt;
   e. Interest paid by a stockbroker in respect of funds held in a trust account;
   f. Interest paid to the African Development Bank established on 10 September 1964;
   g. Interest paid to the World Bank established on 27 December 1945 including the International Bank for Reconstruction and Development and International Development Association;
   h. Interest paid to the International Monetary Fund established on 27 December 1945;
   i. Interest paid to the African Import and Export Bank established on 8 May 1993;
   j. Interest paid to the European Investment Bank established on 1 January 1958 under the Treaty of Rome;
   k. Interest paid to the New Development Bank established on 15 July 2014; or
   l. Interest included in the income of the resident as is attributable to a donation, settlement or other disposition made by a resident as contemplated in section 7(8)(a).
3. Please email this form to ashburtoninstruct@investoradmin.co.za.
4. In order to quality for an exemption or reduced rate this Declaration should be submitted to the Administrator before the payment of the interest. Failure to do so will result in 15% being withheld from the interest payment as Withholding Tax on Interest in terms of section 50C of the Act.

1. Investor details

Investor ID

Individual investors section

Title		Surname	
First name(s)			
Identity/Passport number		Date of birth	
Country of residence for income tax purposes			

Legal entities section

Registered name	
Registration number (juristic person, i.e. company, close corporation, trust, etc)	

Type of entity

☐ Listed company ☐ Unlisted company ☐ Trust ☐ Other

If other, please specify

Tax information

Country of residence | South African income tax reference no.

2. Exemption

Please indicate the reason why the foreign person is exempt from Withholding Tax on Interest:

☐ Section 50D(3)(a) — The foreign person is a natural person who was physically present in the Republic for a period exceeding 183 days in aggregate during the twelve-month period preceding the date on which the interest is paid.

☐ Section 50D(3)(b) — The debt claim in respect of which the interest is paid is effectively connected with a permanent establishment of that foreign person in the Republic if that foreign person is registered as a taxpayer in terms of Chapter 3 of the Tax Administration Act, 2011.

3. Declaration and undertaking for exemption

Declaration in terms of section 50D(3)(a) of the Act

I/We (full names in print),

the undersigned, hereby declare that the interest paid to the foreign person is exempt from the Withholding Tax on Interest in terms of the paragraph of section 50D(3)(a) of the Act.

Declaration in terms of section 50D(3)(b) of the Act

I/We (full names in print),

the undersigned, hereby declare that the interest paid to the foreign person is exempt from the Withholding Tax on Interest in terms of the paragraph of section 50D(3)(b) of the Act.

Undertaking in terms of section 50E(2) of the Act

I/We (full names in print),

the undersigned undertake to forthwith inform Ashburton in writing should the circumstances of the foreign person referred to in the declaration above change.

4. Declaration and undertaking for reduced rate

Applicable reduced rate of Withholding Tax on Interest

Applicable reduced rate of Withholding Tax on Interest

Country of tax residence of foreign person

Applicable Article of relevant Double Taxation Agreement

If the rate reduction is as a result of any other international agreement applicable to the foreign person, please provide full details:

Country of tax residence of foreign person	
Other applicable international agreement	
Applicable reduced rate of Withholding Tax on Interest	
If this declaration is made as a result of a change in circumstances of the foreign person, please insert the date from which the change is effective	

Declaration required in terms of section 50E(3) of the Act

I/We ____________ (full names in print),

the undersigned, hereby declare that all the relevant requirements in terms of Article ______ of the Double Taxation Agreement in force on the relevant date between the Republic of South Africa and the country of tax residence of the foreign person referred to in Part B, have been met and that interest paid to or for the benefit of the foreign person that is not exempt from Withholding Tax on Interest is therefore subject to a reduced rate of ______ %. I further undertake to forthwith inform the Withholding Agent in writing should the circumstances of the foreign person referred to in this declaration change.

Signature		Date	
Name		Capacity	

5. Investor declaration

1. I am/we are aware that it is the sole responsibility of the foreign person to ensure that this Declaration is filed timeously and that the information provided is true and correct in every respect.
2. I have read, understood and agree to be bound by the relevant and latest terms and conditions available on www.ashburtoninvestments.com or from the client service team on 011 301 6986.
3. I confirm that Ashburton has not, in relation to this instruction, given me any advice.
4. I agree that Ashburton will under no circumstances be liable for any costs, expenses or damages including, but not limited to, any direct, indirect, special, consequential or incidental damages caused by or arising from any late submission of Declarations and/or omission to submit Declarations and/or any incorrect or incomplete information provided by the foreign person in any Declaration.
5. I certify that I am authorised to sign this Declaration and undertaking on behalf of the foreign person.
6. I agree that it remains at all times the sole responsibility of the foreign person to ensure that it complies with all requirements and obligations in relation to Withholding Tax on Interest as set out in the Act from time to time.

Signature		Date	