



# CAA

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CHARTERED  
ACCOUNTANTS  
ACADEMY



# UNISA TAXATION STUDY SCHOOL 5 – 28/08/2016



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2. Recap of topics covered during the year:
  - a) Gross income;
  - b) Employment income;
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  - d) Partnership income;
  - e) Farming income;
  - f) Mining income;
  - g) Trusts and deceased estates;
  - h) VAT; and
  - i) Capital Gains Tax
3. Revision of mock exam



# Test 4 Exam Report

Requirement:

In respect of the 2015 year of assessment discuss, with supporting calculations where relevant, the effect of **Transaction 1 to 4** in terms of the following: **40 Marks**

- Income Tax Act
- Value Added Tax Act
- Capital Gains Tax Act



# Test 4 Exam Report

[Test 4 Exam report - Final.pdf](#)



# Gross Income

Summary of key concepts:

1. Gross income definition and
2. Interpretation of key terms of the definition applying case law:
  - a. Amount;
  - b. Received by or accrued;
  - c. Source;
  - d. Year of assessment; and
  - e. Capital vs revenue



# Employment income

Summary of key concepts:

1. Employment benefits;
2. Pensions;
3. Retrenchment receipts;
4. Exemptions;
5. Tax credits; and
6. Administration of PAYE



# Business Income

Summary of key concepts:

1. Accounting vs tax treatment;
2. Special inclusion in gross income;
3. General deduction formula;
4. Prohibited deductions;
5. Capital allowances;
6. Leases and
7. Suspensive sales
8. Double taxation





# Partnership income

Summary of key concepts:

1. Apportionment of partnership taxable income;
2. Distributions to partners; and
3. Tax rate



# Farming income

Summary of key concepts:

1. Farm improvements;
2. Staff housing;
3. 7<sup>th</sup> schedule deductions;
4. Livestock valuation;
5. Enforced sale relief; and
6. Restocking allowance.



# Mining income

Summary of key concepts:

1. Capital Redemption allowance;
2. Recoupments; and
3. Capital expenditures



# Trusts and deceased estates

Summary of key concepts:

1. Beneficiaries and their rights;
2. Assets in a deceased estate;
3. Taxation of pre and post death income;
4. Identify of trust income;
5. Distributions to beneficiaries and
6. Expenditures on exempt income.



# VAT

## Summary of key concepts:

1. Output Vs Input VAT
2. Key definitions
3. Taxable supplies – zero rated and standard rated;
4. Exempt supplies
5. Deemed supplies;
6. Imported goods and services;
7. Employment benefits;
8. Fixed property transactions;
9. Sale of a going concern;
10. Other adjustments; and
11. Administrative issues



# Capital Gains Tax

Summary of key concepts:

1. Specified assets;
2. Deemed disposals;
3. Exemptions;
4. Allowable deductions;
5. Sale of a PPR and business properties;
6. Insurance proceeds;
7. Lease improvements effected by lessee; and
8. Rates



# Revision of Mock Test

Refer to attached documents



# Questions

