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**GOVERNMENT NOTICE**

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**SOUTH AFRICAN REVENUE SERVICE****No. R. 1236****21 November 2008****REGULATIONS TO BE ISSUED IN TERMS OF SECTION 10(1)(d)(iii) AND (iv)  
OF THE INCOME TAX ACT, 1962 (ACT NO. 58 OF 1962), TO PRESCRIBE  
CONDITIONS ON WHICH THE COMMISSIONER MAY APPROVE AN ENTITY  
FOR PURPOSES OF THAT SECTION**

By virtue of the power vested in me by section 10(1)(d) of the Income Tax Act, 1962 (Act No. 58 of 1962), I, Trevor Andrew Manuel, Minister of Finance, hereby prescribe in the Schedule hereto, the conditions on which the Commissioner may approve an entity for purposes of exempting the receipts and accruals of that entity from normal tax in terms of that section.

**T. A. MANUEL**  
**MINISTER OF FINANCE**

**DRAFT****SCHEDULE***Definitions*

1. In these regulations, unless the context otherwise indicates, any word or expression to which a meaning has been assigned in the Income Tax Act, 1962, bears the meaning assigned thereto and—

“entity” means any—

- (a) mutual loan association, fidelity or indemnity fund, trade union, chamber of commerce or industry (or an association of such chambers) or local publicity association contemplated in section 10(1)(d)(iii) of that Act; and
- (b) company, society or other association of persons contemplated in section 10(1)(d)(iv) of that Act with the sole or principal object to function as a representative body for persons that carry on a particular business, profession or occupation;

“member” in the case of a fidelity or indemnity fund includes a contributor to that fund; and

“mutual loan association” means an association with the sole or principal object to function as a voluntary savings association where participants make regular contributions into a common pool managed by the members for the mutual financial benefit of such members.

*Conditions*

2. The Commissioner must approve an entity for purposes of section 10(1)(d)(iii) or (iv) of the Income Tax Act, 1962, if—

- (a) that entity has submitted to the Commissioner a copy of the constitution or written instrument under which it has been established;
- (b) in terms of the constitution or written instrument contemplated in paragraph (a)—