



Smart decisions. Lasting value.

Issue 9 - 24 March 2022

Budget Snapshots

Exchange Control Relaxations for Natural Persons

Audit / Tax / Advisory / Human Capital

Cash Balances in South Africa

Authorised Dealers (i.e. most commercial banks) may remit abroad, on a once-off basis, the remaining cash balances not exceeding R100 000 in total of private individuals who have ceased to be residents for tax purposes, without reference to the South African Revenue Service.

Foreign Investments via Foreign Trusts

The Financial Surveillance Department will consider applications by private individuals who wish to invest in excess of the R10 million foreign capital allowance limit, in different asset classes. Such investments, if approved, could be facilitated via a foreign domiciled and registered trust. The dispensation would also apply to private individuals who have existing authorised foreign assets, irrespective of the value thereof.

Retention of Foreign Gifts, Donations and Inheritances

Resident individuals may, effective 23 February 2022, receive and retain abroad monetary and other legitimate gifts and donations received from a non-resident source without having to declare it to an Authorised Dealer.

In addition, resident individuals may without reference to the Financial Surveillance Department retain foreign assets inherited from a South African estate, and residents with authorized foreign assets may also lend and/or dispose of such authorised foreign assets to other South African residents, subject to local tax disclosure and compliance.

These dispensations shall not apply retrospectively and any contravention before 23 February 2022 must still be regularised with the Financial Surveillance Department.



Online Forex Trading

Resident individuals may utilise the investment portion of their single discretionary allowance and/or foreign capital allowance to participate in online foreign exchange trading activities.

These online trading activities generally include one or a combination of options, such as trading global currencies against each other, trading a contract for difference, trading in foreign stocks, trading commodities including crypto currencies and trading foreign indices using the online trading platform of the broker concerned.

Residents should note that they may not fund their international trading accounts (including crypto currency trading accounts) at registered brokers using South African credit, debit and virtual cards, but such trading accounts should be funded in terms of the single discretionary and/or foreign capital allowance, i.e. the Authorised Dealer concerned must convert the Rand into foreign currency and transfer such funds via the banking system as an Electronic Funds Transfer to a foreign bank account or the funds can be deposited in a foreign currency account at an Authorised Dealer.



Contact

Crowe HZK

7th Floor, 5 St. Georges
St. Georges Mall, Cape Town
Main +27 21 481 7000
hzk@crowe.za.com

D8, Block D, Octo Place
Elektron Avenue, Techno Park
Stellenbosch
Main +27 21 880 7940
bso@crowe.za.com

Crowe JHB

3 Sandown Valley Crescent
Sandown
Johannesburg, 2196
Main +27 11 217 8000
info@crowe.za.com

Crowe Winelands

Blandford House
67 Caledon Street
Somerset West, 7130
Main +27 21 855 2917
reception.winelands@crowe.za.com

Crowe DNA

Unit 201, 2nd Floor
Crossfire Place
15 Gardner Williams Avenue
Paardevlie, Somerset West, 7130
Main +27 87 0572613
infodna@crowe.za.com



About Crowe Global

As a top 10 global accounting network, Crowe Global has over 200 independent accounting and advisory firms in 145 countries.

For over 100 years, Crowe has made smart decisions for multinational clients working across borders. Our leaders work with governments, regulatory bodies and industry groups to shape the future of the profession worldwide. Their exceptional knowledge of business, local laws and customs provide lasting value to clients undertaking international projects.

Crowe provides global reach on a personal scale. Firms are focused on the future and the client experience, working with clients to build something valuable, substantial and enduring. Close working relationships are at the heart of our effective service delivery.

At Crowe, our professionals all share one commitment, to deliver excellence.

www.crowe.com/za