Tutorial Letter 202/1/2019

Taxation of Business Activities

TAX3701

Semester 1

Department of Taxation

SUGGESTED SOLUTION

ASSIGNMENT 1

Bar code

Dear Student

This tutorial letter contains the solution to Assignment 1. Good luck with your preparation for the examination.

Kind regards

TAX3701 LECTURERS

Telephonic contact with lecturers	
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SUGGESTED SOLUTION: ASSIGNMENT 1/1/2019

1.	2	R665 600 x 15/115 = R86 817
2.	2	Rnil – financial service is an exempt supply
3.	4	
4.	2	(R245 000 + R665 600) x 15/115 = R118 774
5.	4	R98 000 x 15/115 = R12 783
6.	1	(R250 000 + (10% x R250 000) + R5 600) x 15%= R42 090
7.	1	R250 000 x 15% = R37 500
8.	3	R22 500 x 15/115 = R2 935
9.	4	
10.	1	R2 500 x 15% = R375
11.	3	
12.	1	R23 500 x 15% = R3 525
13.	1	R1 000 x 15% = R150
14.	2	(R560 000 x 0.6% = R3 360) x 15/115 = R438 x 2 = R876
15.	3	
16.	2	
17.	4	A person of whom more than **20%** of his total receipts consist of investment income
18.	4	Taxable turnover **excludes** any amount refunded
19.	4	(R600 000 – R150 000) + (R350 000 x 50%) = R625 000
20.	1	R1 650 + ((R750 000 – R500 000) x 2%) = R6 650
21.	3	
22.	2	
23.	3	
24.	1	
25.	4	

SUGGESTED SOLUTION: ASSIGNMENT 1/1/2019 (continued)

26.	4	
27.	1	R22 500 + (R22 500 x 5%) = R23 625
28.	3	(R420 000 – R350 000) = R70 000
29.	4	
30.	2	