

## STRATE SPECIAL GAZETTE

NUMBER: S3-2012

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# GENERAL INFORMATION

### **PRACTICE NOTE IN RESPECT OF PROCESSING OF SECURITIES TRANSFER TAX FOR UNLISTED UNCERTIFICATED SECURITIES – EQUITIES**

The following Practice Note is hereby released.

#### **Practice Note in respect of processing of Securities Transfer Tax for unlisted Uncertificated Securities – Equities**

This Practice Note will be implemented with immediate effect.



**MARIA VERMAAS**  
Head – Legal and Regulatory Division

24<sup>th</sup> May 2012



## **PRACTICE NOTES**

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**Special Gazette: S3-2012**

### **PRACTICE NOTE FOR PROCESSING OF SECURITIES TRANSFER TAX FOR UNLISTED UNCERTIFICATED SECURITIES – EQUITIES**

*Securities Transfer Tax Act, 25 of 2007 and Securities Transfer Tax Administration Act, 26 of 2007*

This practice note seeks to provide guidance in respect of the processing of Securities Transfer Tax “STT” for unlisted Uncertificated Securities – Equities.

#### **Process to be adopted for processing STT for unlisted Uncertificated Securities – Equities**

1. A Client of a Participant that trades in unlisted Uncertificated Securities – Equities must ensure that the STT information is populated in the relevant instruction.
2. A Participant, who reports this transaction to Strate for matching and settlement, should utilise the relevant STT information to withhold the applicable tax for payment to SARS, the issuer or its agent.
3. Clients may request Participants to include the payment processing of STT for unlisted Uncertificated Securities – Equities into their current STT process for listed Uncertificated Securities – Equities.