

Your ref: M3/5/2 (1879/12)
Our ref: SATIEA

Pravin J Gordhan
Minister of Finance
Republic of South Africa
PO Box 29
Cape Town
South Africa
8000


Dear Minister Gordhan,

Introduction of Dividends Tax in South Africa

Thank you for your letter received 20 July 2012.

I would like to confirm that the States of Guernsey is satisfied that Article 2 of the Agreement between the States of Guernsey and the Republic of South Africa for the Exchange of Information Relating to Tax Matters would cover the Dividends Tax introduced into the South African Income Tax Act, Act No 58 of 1962, in accordance with Taxation Laws Amendment Act, Act No 24 of 2011 ("Dividends Tax"). I can also confirm that the Dividends Tax is a covered tax with effect from 1 April 2012.

Yours sincerely


Deputy Peter A Harwood
Chief Minister

30/07/2012