

Exchange control threshold amendments (with effect 1 April 2015)

In the recent budget review it was stated that rules and conditions continue to be modernised to attract investment and enable South African organisations to expand internationally, particularly into Africa. To this end the exchange control manual is being simplified and will be completed in 2015.

The following threshold changes will take effect from 1 April 2015:

- Authorised dealers may process corporate investment up to R1 billion per year, from R500 million previously, as well as the carrying forward of any unused allowance.
- South African residents' foreign capital allowance will increase from R4 million to R10 million per calendar year or upon emigration, or R20 million per family unit.
- The subcategories under the individual single discretionary allowance are removed and the annual R1 million allowances may be used for any legal purpose abroad.
- The dispensation for credit card usage, currently limited to individuals, will be extended to corporates.

These dispensations will be subject to the statutory requirements of the Reserve Bank and the South African Revenue Service. We will update you once further administrative details have been communicated by the Reserve Bank.