

**Academic Leave taken outside of RSA and related Tax implications**

In terms of Section 10(1)(o)(ii) of the Income Tax Act, income earned in South Africa while you are overseas is tax free[[1]](#footnote-1), provided that:

1. You are outside the RSA borders for no less than 183 days (please note that this does not have to be in any one year of assessment for tax purposes);
2. Of which at least 60 days are consecutive; and
3. You are performing work on behalf of the employer.

Academics on approved academic leave, who meet the above requirements, must complete the contractual undertaking below and supply the required documentation as indicated in point 3. Rhodes Salaries Section will upon receipt of the undertaking and documentation issue an IRP 5 certificate at the financial year end which indicates you having been outside the country during the relevant tax period, so that, on submission of your tax return for assessment to the Receiver of Revenue, you may be eligible for a tax rebate.

**Contractual Undertaking**

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ , employed as a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

in the department of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ at Rhodes University, identify number:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_hereby wish to avail myself of the tax exemption facility under Section 10(1)(o)(ii) of the Income Tax Act.

In doing so, I acknowledge that:

1. The period of absence for academic leave from Rhodes University is for the primary purpose of conducting research and/or teaching under the supervision of the university, as part of my employment conditions;
2. I will comply with the requirements of the Act, namely that I will be outside of the RSA for a continuous period exceeding 183 full days in aggregate during any 12 months during which time at least some of that period will be for 60 full consecutive days;
3. I have attached the following documentation to confirm my absence from the Republic namely
   1. A certified copy of my stamped passport entries;
   2. Certified copies of the boarding passes of my travel;
   3. A copy of the confirmation letter from the institution outside of RSA where the work was conducted stipulating the period spent there;
4. I will comply with any taxation provisions in the country of residence during this period;
5. It is my intention to be out of the RSA during the following periods: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;

1. Should the above arrangements change such that I am no longer eligible for the tax exemption, I undertake to notify the University accordingly.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature Date

1. **Checked that still valid with Finance: November 2012** [↑](#footnote-ref-1)