

Dividends Tax: Summary of withholding tax rates per South African Double Taxation Agreements currently in force

Version: 5.1

Updated: 2014-02-05

Note:

- A summary of the rates and the relevant provisions relating thereto, are reflected in the table below – the full text of these Double Taxation Agreements (DTAs) is available on the SARS website (www.sars.gov.za > Legal & Policy).
- Only DTAs which are currently in force are listed below.
- The South African domestic rate is applicable to all countries which are not listed in the table below or where the DTA does not deal with the allocation of taxing rights with regard to dividends.
- Where South Africa is in the process of negotiating/renegotiating DTAs or Protocols with certain countries (see SARS website) either the present DTA rate (where there is a DTA in force dealing with dividends) or the South African domestic rate (where there is no DTA in force or the DTA does not deal with dividends) is applicable until such time as the new/renegotiated DTA or Protocol enters into force (or the specified effective date, whichever is applicable).

Version 5 - updates made to:

Malta (Republic of) - Protocol entered into force

Oman (Sultanate of) - Protocol entered into force

Singapore (Republic of) - detail added to extract (in v 5.1 an extra line item (0%) is added to the possible rates)

United States of America - detail added to extract

Country	Entry into force	Rate in DTA	Summary of requirements to qualify for a particular rate	Extract from DTA Article on Dividends
AFRICA				
1 Algeria (Democratic People's Republic of)	12-Jun-00	10%	Minimum holding of 25% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 10 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 25 per cent of the capital of the company paying the dividends; or (b) 15 per cent of the gross amount of the dividends in all other cases.
		15%	Other beneficial owners	
2 Botswana (Republic of)	20-Apr-04	10%	Minimum holding of 25% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 10 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 25 per cent of the capital of the company paying the dividends; or (b) 15 per cent of the gross amount of the dividends in all other cases.
		15%	Other beneficial owners	
3 Congo (Democratic Republic of)	19-Jul-12 [See effective date in Article 28]	5%	Minimum holding of 25% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 5 per cent of the gross amount of the dividends if the beneficial owner is a company (other than a partnership) which holds directly at least 25 per cent of the capital of the company paying the dividends; or (b) 15 per cent of the gross amount of the dividends in all other cases.
		15%	Other beneficial owners	
4 Egypt (Arab Republic of)	16-Dec-98	15%	All beneficial owners	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the recipient is the beneficial owner of the dividends, the tax so charged shall not exceed 15 per cent of the gross amount of the dividends.
5 Ethiopia (Federal Democratic Republic of)	04-Jan-06	10%	All beneficial owners	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the dividends.
6 Ghana (Republic of)	23-Apr-07	5%	Minimum holding of 10% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 5 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 10 per cent of the capital of the company paying the dividends; or (b) 15 per cent of the gross amount of the dividends in all other cases.
		15%	Other beneficial owners	
7 Lesotho (Kingdom of)	09-Jan-97	15%	All beneficial owners	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the recipient is the beneficial owner of the dividends, the tax so charged to the beneficial owner shall not exceed 15 per cent of the gross amount of the dividends.
8 Malawi (Republic of)	02-Sep-71	-	No provision made for dividends in DTA	South African domestic rate applies.
9 Mauritius (Republic of)	20-Jun-97	5%	Minimum holding of 10% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the recipient is the beneficial owner of the dividends, the tax so charged to the beneficial owner shall not exceed: (a) 5 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 10 per cent of the capital of the company paying the dividends; (b) 15 per cent of the gross amount of the dividends in all other cases.
		15%	Other beneficial owners	

10	Mozambique (Republic of)	19-Feb-09	8%	Minimum holding of 25% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 8 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 25 per cent of the capital of the company paying the dividends; or (b) 15 per cent of the gross amount of the dividends in all other cases.
			15%	Other beneficial owners	
11	Namibia (Republic of)	11-Apr-99	5%	Minimum holding of 25% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the recipient is the beneficial owner of the dividends, the tax so charged shall not exceed: (a) 5 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 25 per cent of the capital of the company paying the dividends; (b) 15 per cent of the gross amount of the dividends in all other cases.
			15%	Other beneficial owners	
12	Nigeria (Federal Republic of)	05-Jul-08	7.50%	Minimum holding of 10% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 7,5 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 10 per cent of the capital of the company paying the dividends; or (b) 10 per cent of the gross amount of the dividends in all other cases.
			10%	Other beneficial owners	
13	Rwanda (Republic of)	03-Aug-10	10%	Minimum holding of 25% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 10 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 25 per cent of the capital of the company paying the dividends; or (b) 20 per cent of the gross amount of the dividends in all other cases.
			20%	Other beneficial owners	
14	Seychelles (Republic of)	15-May-12 [Effective date iro dividends: 01-Apr-12]	5%	Minimum holding of 10% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 5 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 10 per cent of the capital of the company paying the dividends; or (b) 10 per cent of the gross amount of the dividends in all other cases.
			10%	Other beneficial owners	
15	Swaziland (Kingdom of)	08-Feb-05	10%	Minimum holding of 25% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 10 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 25 per cent of the capital of the company paying the dividends; or (b) 15 per cent of the gross amount of the dividends in all other cases.
			15%	Other beneficial owners	
16	Tanzania (United Republic of)	15-Jun-07	10%	Minimum holding of 15% of capital by a beneficial owner which is a company	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed: (a) 10 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 15 per cent of the capital of the company paying the dividends; or (b) 20 per cent of the gross amount of the dividends in all other cases.
			20%	Other beneficial owners	
17	Tunisia (Republic of)	10-Dec-99	10%	All beneficial owners	10(2) However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the recipient is the beneficial owner of the dividends, the tax so charged shall not exceed 10 per cent of the gross amount of the dividends.
18	Uganda (Republic of)	09-Apr-01	10%	Minimum holding of 25% of capital by a beneficial owner which is a company	2. However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the recipient is the beneficial owner of the dividends, the tax so charged shall not exceed: (a) 10 per cent of the gross amount of the dividends if the beneficial owner is a company which holds at least 25 per cent of the capital of the company paying the dividends; or (b) 15 per cent of the gross amount of the dividends in all other cases.
			15%	Other beneficial owners	
19	Zambia (Federation of Rhodesia & Nyasaland -	31-Aug-56	-	No provision made for dividends in DTA	South African domestic rate applies.
20	Zimbabwe (Southern Rhodesia)	03-Sep-65	-	No provision made for dividends in DTA	South African domestic rate applies.