

Financial Surveillance Department

(draft)

2010-12-20

Exchange Control Circular No. 48/2010

Emigrants – belated submission of Form M.P.336(b)

Authorised Dealers are advised that as a further administrative reform, residents who have permanently resided outside the Republic without placing their emigration formalities on record, may have their emigration formalised against the submission of a belated completed and signed Form M.P.336(b) to an Authorised Dealer, without reference to the Financial Surveillance Department.

The date from which such persons will be regarded as emigrants from the Republic, will be the date on which they were granted permanent residence in their new country of residency. In the absence of such proof, Authorised Dealers must use the date on which the Form M.P.336(b) was signed by the applicant, as the date of emigration.

This dispensation will only apply to applicants whose assets do not exceed the sum of R4 million in the case of a single person, or R8 million in the case of a family unit.

All applications submitted to Authorised Dealers which are supported by completed Forms M.P.336(b) must be retained for a period of five years. Each branch will be required to submit details of such emigrants to their respective Head Office, who will consolidate and forward such information to the Financial Surveillance Department.

In view of the aforementioned changes, the following amendments to the Exchange Control Rulings have been made:

Section B.2(E)(iv)

The second paragraph of subsection (f) has been deleted.

A new subsection (g) has been added as follows:

“(g) all applications submitted to Authorised Dealers where the net assets do not exceed the sum of R4 million in the case of a single person, or R8 million in the case of a family unit, are supported by a belated completed Form M.P.336(b), where the applicant has resided permanently outside the Republic without placing their emigration formalities on record with the Financial Surveillance Department.

Applicants must declare in writing to Authorised Dealers that similar emigration formalities have not been recorded with another Authorised Dealer.

The date from which such applicants will be regarded as emigrants from the Republic, will be the date on which permanent residence was granted in their new country of residency. In the absence of such proof, Authorised Dealers must use the date on which the belated Form M.P.336(b) was signed by the applicant, as the date of emigration.

Each branch must retain such Forms M.P.336(b) for a period of five years and should submit details of these emigrants to their Head Office.”

A new subsection (h) has been added as follows:

“(h) all the information, submitted in terms of (f) and (g) above, must be consolidated by the Head Office, under the name and MICR code number of each individual branch for onward submission to the Financial Surveillance Department on a monthly basis. The following information should be included in the return: names, identity numbers, dates of departure, value of the remaining assets and foreign capital allowances accorded; and”

The existing subsection (g) has been deleted, renumbered (i) and has been substituted with the following:

- “(i) they are furnished with written confirmation from the local branch of SARS confirming that the applicant’s tax commitments have been met or that suitable arrangements have been made to liquidate any obligation in this regard. However, such confirmation is not required in respect of applicants who resided permanently outside the Republic for a period longer than five years and where they have no assets other than inheritance or insurance policies.”

Replacement pages of the Exchange Control Rulings incorporating the relevant amendments are attached hereto.

Deputy General Manager