

Tutorial Letter 101/3/2016

TAXATION OF ESTATES

TAX3703

Semesters 1 & 2

Department of Taxation

This tutorial letter contains important information regarding this module

Bar code

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1 INTRODUCTION AND WELCOME

Dear Student

We have pleasure in welcoming you as a student to the module, TAXATION OF ESTATES. We hope that you will find your studies interesting and rewarding and that you will be successful in the examination.

Please read this tutorial letter very carefully in order to orientate yourself with the requirements specific to this module.

This module is practical and therefore you will have to learn rules and how to apply them. This means that you will have to start with your studies immediately as the semester is only 15 weeks long, and you will need to give yourself time to practice what you learn. For your convenience, we include a proposed study program indicating the MINIMUM time you will have to put aside for each study unit. The specific outcomes and assessment standards for the module are given and every study unit includes a number of questions you can use to judge whether you have achieved the relevant learning outcomes.

How to get started on *myUnisa*

It is **very** important that you regularly make use of *myUnisa*! These technological resources make it easier to communicate with the university, your lecturers and fellow students about your studies. By using *myUnisa*, you will be able to submit your assignments electronically, access the library resources, get your assignment marks and take part in activities, tasks and discussions relating to the contents of this module. Register TODAY and visit regularly.

In addition to registering on *myUnisa*, it is crucial that you activate your myLife email address, as all your official correspondence regarding this module will be sent to your myLife address and not your private email address. Please consult with the ***My Studies @ Unisa*** brochure for more information on the activation of your myLife email address as well as obtaining access to the *myUnisa* module website.

You will receive printed materials as a backup for everything that is online. **HOWEVER, DO NOT WAIT FOR PRINTED MATERIALS BEFORE YOU START STUDYING.**

2 PURPOSE OF AND OUTCOMES FOR THE MODULE

2.1 PURPOSE

The purpose of this module is to equip you with the theoretical and practical knowledge of the administration of deceased estates in South Africa, the parties involved in the process and the legislation governing the administration process. This module will further provide you with a broad overview of estate duty and capital gains tax in relation to the death of a person and his or her estate, as well as donations tax.

2.2 SPECIFIC OUTCOMES AND ASSESSMENT CRITERIA

We will assess whether you are competent in the administration as well as the taxation of deceased estates by means of case studies (real-life situations). You must therefore demonstrate that you are competent to discuss the administration process of a deceased estate; calculate the estate duty, donations tax as well as capital gains tax liabilities of the deceased and the deceased estate; and provide the relevant set of accounts. You should also be competent to discuss and apply the principles and tools of estate planning. The assessment will be conducted in terms of the following specific outcomes and assessment criteria:

SPECIFIC OUTCOME 1:

Students must be able to demonstrate an understanding of the administration of a deceased estate, compile the accounts of the deceased estate, and to evaluate complex problems in practical situations.

Range statement: Students will be required to apply a theoretical knowledge of the fundamentals of the administration of deceased estates to compile complete executor's accounts for submission to the Master.

Assessment criteria

Students are competent if evidence shows that they are able to:

- explain the administration process of a deceased estate;
- describe the functions of the Master;
- explain the responsibilities and duties of the executor;
- calculate the Master's fees and executor's remuneration in a practical situation;
- illustrate the effect of matrimonial property regime on the distribution of a deceased estate;
- compile the estate accounts for submission to the Master.

SPECIFIC OUTCOME 2:

Students must be able to analyse and calculate the estate duty liability in a deceased estate.

Range statement: Students will be required to calculate the estate duty payable in a deceased estate and identify the person(s) responsible for the payment thereof.

Assessment criteria

Students are competent if evidence shows that they are able to:

- identify property and deemed property in a deceased estate;
- determine the value to be used for estate duty purposes of all property and deemed property in a deceased estate, including limited interests;
- identify the various deductions and rebates allowed for estate duty purposes and apply it according to current legislation;
- calculate and apportion the estate duty liability of a deceased estate.

SPECIFIC OUTCOME 3:

Students must be able to demonstrate an integrated knowledge and understanding of capital gains tax implications upon the death of an individual and the ability to apply that knowledge in practice.

Range statement: Students will be required to calculate the taxable capital gain for both the deceased person and the deceased estate.

Assessment criteria

Students are competent if evidence shows that they are able to:

- calculate the basic capital gain/loss in the event of an asset being disposed of by a taxpayer;
- calculate the aggregate capital gain/loss for a deceased person;
- explain the effect of a capital gain/loss upon the death of an individual;
- calculate the aggregate capital gain/loss for a deceased estate in the following situations:
 - transfer of assets from the deceased to the deceased estate
 - transfer of assets by the executor to beneficiaries
 - sale of assets to third parties by the executor
- calculate the taxable capital gain for a deceased person and/or deceased estate.

SPECIFIC OUTCOME 4:

Students must be able to demonstrate an understanding of donations tax payable by a taxpayer.

Range statement: Students will be required to calculate the donations tax payable in practical situations.

Assessment criteria

Students are competent if evidence shows that they are able to:

- discuss and apply the disposal of property, which constitutes a donation or deemed donation according to current legislation;
- explain donations which are exempt from donations tax and to identify it in a practical situation;
- calculate the donations tax payable on a donation;
- identify the person responsible for, and the date of the payment of donations tax in a practical situation.

SPECIFIC OUTCOME 5:

Students must be able to demonstrate an ability to identify, analyse, evaluate and reflect on the principles and tools of estate planning and apply these to prepare an estate plan.

Range statement: Students will be required to analyse a client's financial situation, identify estate planning objectives and suggest estate-planning tools to meet the objectives

Assessment criteria

Students are competent if evidence shows that they are able to:

- discuss the objectives of estate planning;
- discuss the tools used for estate planning;
- apply estate planning objectives and tools to provide a financial solution in an estate plan and explain it to a client;
- analyse the structure of an estate in order to evaluate the practicality of the estate plan and to what extent the estate planning objectives have been met.

3 LECTURER(S) AND CONTACT DETAILS**3.1 ADMINISTRATIVE QUERIES**

For any contact with the University concerning administrative matters, please consult the **My Studies @ Unisa** brochure. Enquiries in connection with administrative matters must be addressed to the relevant administration department to which the problem applies and **NOT** to the lecturers.

Administrative enquiries should be directed to:

E-mail addresses	SMS numbers	Use to enquire about:
econ@unisa.ac.za	n/a	Registration and credit/exemption
study-info@unisa.ac.za	43578	Applications and registrations
assign@unisa.ac.za	43584	Assignments (not for submission purposes)
exams@unisa.ac.za	43584	Examinations
despatch@unisa.ac.za	43579	Study material

E-mail addresses	SMS numbers	Use to enquire about:
finan@unisa.ac.za	31954	Student accounts
gaudeamus@unisa.ac.za	n/a	Graduation ceremonies
myUnisaHelp@unisa.ac.za	43582	myUnisa
myLifeHelp@unisa.ac.za	43582	myLife e-mail
CASenquiries-undergraduate@unisa.ac.za	For administrative queries contact: (012) 429 4211	CAS related enquiries

When corresponding with the University in writing, always supply:

- your student number,
- module code and
- a telephone number where we can contact you.

3.2 MODULE CONTENT-RELATED QUERIES

Ensure that you have the right module code on hand when you contact the lecturers.

Telephonic contact with lecturers:	<p style="text-align: center;">012 429 4133</p> <p style="text-align: center;">(this is a hunting line – you will need to let it ring so that the exchange can find a free extension)</p>
<p>The lecturers who are available to assist you are:</p> <p style="text-align: center;">Ms C Cass Ms E Doussy Ms C Stedall Prof AP Swanepoel Mr A Swanepoel Mr M van Dyk Ms MSI Wentzel Ms H van der Merwe Mr W Uys</p>	
Departmental cell phone number:	079 365 1124 (Please do not send text messages, missed calls or “please call me” messages to this number, it will not be responded to.)
E-mail contact with lecturers:	TAX3703-16-S1@unisa.ac.za (semester 1) TAX3703-16-S2@unisa.ac.za (semester 2) Course contact tab on myUnisa

3.3 ACADEMIC ADMINISTRATIVE QUERIES

Mrs S Brecher (Departmental Secretary)

012 429 4494

4 MODULE-RELATED RESOURCES

4.1 STUDY MATERIAL

All study material will be made available on *myUnisa*.

The following tutorial letters will be made available on *myUnisa*:

Tutorial letter	Content	Study units to be covered
101	Contains very important information regarding the module. Contains: Assignment 1, which is compulsory and counts as part of the year mark. Assignment 2, which counts as part of the year mark. Keep it at hand, as you will have to refer to it regularly.	1 to 4 5 to 6
102	Contains the first of two study guides you will use for this module.	1 to 8
103	Contains the second study guide you will use for this module.	9 to 11
201	Contains assignment 3, which is an old exam paper with suggested solutions.	1 to 11
202	Contains the solution to assignment 1	
203	Contains the solution to assignment 2	

Further tutorial letters

Further tutorial letters may be made available during the year as the need arise. Tutorial letters are all sequentially numbered.

Additional study material

The above study material is the only study material, which the University supplies to you. The lecturers believe that this is sufficient in order for you to complete your studies successfully.

4.2 PRESCRIBED BOOK

It is essential that you obtain the following prescribed textbook:

Abrie, W, De Clercq, B, Graham, CR, Schoeman-Malan, MC, & Van der Spuy PdeW. 2015. *Deceased estates*. 10th edition. Pretoria: LexisNexis. ISBN 978 0 409 12320 3. (E-book: ISBN 978 0 409 12321 0).

You must obtain the prescribed book as soon as possible in the semester. Note that the library does not provide for this book specifically and that copies of this book may not always be readily available in the library.

Please refer to the list of official booksellers and their addresses in the ***My Studies @ Unisa*** brochure.

4.3 E-RESERVES/RECOMMENDED BOOKS AND READING LISTS

There are no e-reserves/recommended books and reading lists for this module.

4.4 POCKET CALCULATORS

Candidates may only use silent, electronic, battery-driven pocket calculators subject to the following conditions:

- Calculators must be cordless, and may not have print-out facilities or alpha keys;
- Any financial calculator will be allowed, as the following tables will not be provided:
 - Tables of present value factors for various discount rates for varying periods; and
 - Tables of future value factors for various interest rates for varying periods;
- The calculator function on mobile telephones or any electronic device (i.e. laptops and/or any smart phone) may not be used; and
- Candidates may not share a calculator with another candidate in the examination room.

5 STUDENT SUPPORT SERVICES FOR THE MODULE

5.1 myUNISA

To go to the *myUnisa* website, start at the main Unisa website, <http://www.unisa.ac.za>, and then click on the “Login to *myUnisa*” link on the right-hand side of the screen. You can also go there directly by typing in <http://my.unisa.ac.za>.

Please consult the **My Studies @ Unisa** brochure, which you received with your study material, for more information on *myUnisa*.

PLEASE ACTIVATE YOUR MYLIFE E-MAIL ACCOUNT SO THAT WE CAN COMMUNICATE WITH YOU!

For this module, we will make use of the following functions on *myUnisa*:

- Official study material – all tutorial letters that you will need for this module
- Course contact – module e-mail for technical questions
- Additional resources – podcasts and vodcasts can be uploaded here
- Schedule – you will be provided with a weekly study schedule
- Announcements – when required announcements will be made
- Discussion forum – please take part in meaningful content-related discussions
- FAQ – please read these questions
- Self-assessment – short questions at the end of study units.

Please make arrangements to visit *myUnisa* often in order to make use of these valuable resources.

5.2 TUTORS

Please be informed that, with effect from 2013, Unisa offers online tutorials (e-tutoring) to students registered for modules at NQF level 5, 6 and 7 which means qualifying first year, second year and third year modules.

Once you have been registered for a qualifying module, you will be allocated to a group of students with whom you will be interacting during the tuition period as well as an e-tutor who will be your tutorial facilitator. Thereafter you will receive a sms informing you about your group, the name of your e-tutor and instructions on how to log onto *myUnisa* in order to receive further information on the e-tutoring process.

Online tutorials are conducted by qualified e-tutors who are appointed by Unisa and are offered free of charge. All you need to be able to participate in e-tutoring is a computer with internet connection. If you live close to a Unisa regional Centre or a Telecentre contracted with Unisa, please feel free to visit any of these to access the internet. e-Tutoring takes place on myUnisa where you are expected to connect with other students in your allocated group. It is the role of the e-tutor to guide you through your study material during this interaction process. For you to get the most out of online tutoring, you need to participate in the online discussions that the e-tutor will be facilitating.

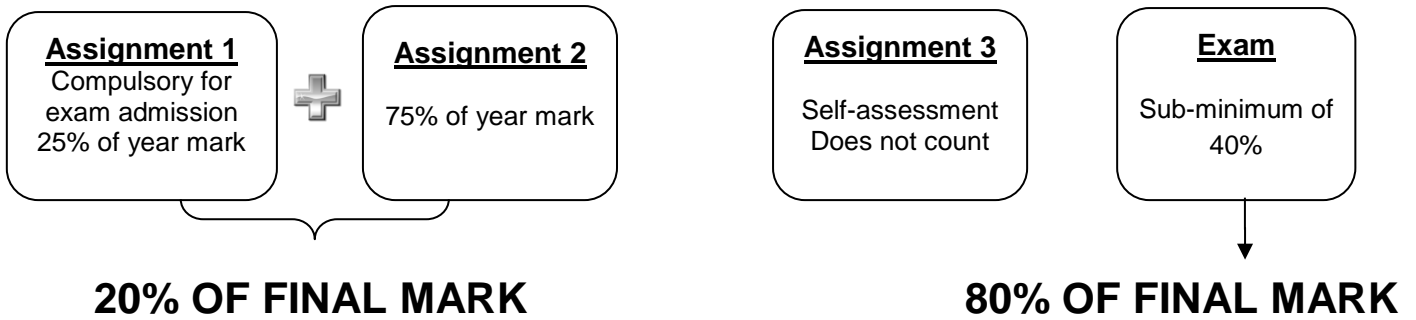
There are modules, which students have been found to repeatedly fail, these modules are allocated face-to-face tutors and tutorials for these modules take place at the Unisa regional centres. These tutorials are also offered free of charge, however, it is important for you to register at your nearest Unisa Regional Centre to secure attendance of these classes. Refer to your *My Studies @ Unisa* guide for information on tutorial classes presented by Unisa.

6 MODULE-SPECIFIC STUDY PLAN

Below is a proposed weekly plan for TAX3703 – based on a minimum time of 10 hours per week spent on the module. Please keep in mind that you have 15 weeks of study from registration to start of exams. If you start later, you need to realise that you will have to catch up the time that you have missed.

Tutorial letter	Week	Study unit	Suggested hours
102	1	Read Tutorial Letter 101 Read Tutorial Letter 102 – Introduction Study unit 1: The administration process	2 1 7
	2	Study unit 1: The administration process	10
	3	Study unit 2: Matrimonial property regime Study unit 3: Testate succession and wills	4 6
	4	Study unit 4: Intestate succession Assignment 1	8 2
	5	Study unit 5: Income tax and capital gains tax (CGT)	10
	6	Study unit 5: Income tax and CGT Study unit 6: Estate duty	4 6
	7	Study unit 6: Estate duty	10
	8	Study unit 7: Donations tax Study unit 8: The executor's account	6 4
	9	Study unit 8: The executor's account	10
	10	Study unit 8: The executor's account Assignment 2	7 3
103	11	Study unit 9: Objectives of estate planning Study unit 10: Estate planning tools	5 5
	12	Study unit 10: Estate planning tools	10
	13	Study unit 11: Estate planning: A practical approach	10
	14	Revision	10
	15	Revision Assignment 3 (Tutorial Letter 201)	6 4

7 ASSESSMENT



7.1 ASSIGNMENTS

There are three assignments **per semester**.

As a UNISA student, you do not write tests and therefore you need to use the assignments as a substitute. It is part of your learning process to receive feedback in the form of an assignment solution. The completion of your assignment will also help you, as you will only obtain a total understanding of this module through practice by working out questions.

You MUST keep a copy of your completed compulsory assignment, so that in the event that the assignment is lost, before it can be assessed, you will have a copy that we can mark.

Submission of assignments

Students may submit written assignments and assignments completed on mark-reading sheets **either** by post **or** Mobile MCQ submission **or** electronically via myUnisa. Assignments may **not** be submitted by fax or e-mail.

For detailed information on assignments, please refer to **My Studies @ Unisa** brochure, which you received with your study package.

To submit an assignment via myUnisa:

- Go to myUnisa.
- Log in with your student number and password.
- Select the module.
- Click on "Assignments" in the menu on the left-hand side of the screen.
- Click on the assignment number you wish to submit.
- Follow the instructions.

A mark-reading sheet is required for answering assignment 1. Before completing the mark-reading sheet please see the instructions contained in the **My Studies @ Unisa** brochure. Read these instructions carefully and follow them exactly to avoid mistakes and delays.

PLEASE NOTE: Written assignments that are submitted electronically/online for this module must be in PDF format. Please DO NOT make the PDF file a „read-only“ file.

For detailed information on assignments, please refer to **My Studies @ Unisa** brochure.

PLEASE NOTE: Information about assignments, (e.g. whether or not the university has received your assignment or the date on which an assignment was returned to you) can be obtained on myUnisa.

Marking of assignments

Assignment 1 and 2 will be marked and count towards your year mark.

Assignment 3 is a self-assessment assignment, which means that you do not submit it to Unisa but you mark it yourself.

You will receive the correct answers automatically for multiple-choice questions. The solutions to all assignments **will be sent to all students registered for this module** in a follow-up tutorial letter, and not only to those students who submitted the assignments. The tutorial letter numbers will be 201, 202, etc. The assignments and the feed-back on these assignments constitute an important part of your learning and should help you to be better prepared for the next assignment and the examination.

The feedback on the self-assessment assignment is included in tutorial letter 201. This will enable you to mark your assignment as soon as you have completed it.

Due dates

The due dates for the assignments are as follows:

FIRST SEMESTER		
ASSIGNMENT	DUE DATE	Unique Number
1 (compulsory)	22 February 2016	755462
2	1 April 2016	810231
3	Self-assessment	
SECOND SEMESTER		
ASSIGNMENT	DUE DATE	Unique Number
1 (compulsory)	12 August 2016	805572
2	23 September 2016	846088
3	Self-assessment	

Finality of due dates

The due dates of the assignments are final in order to finalise marks on a given date, therefore NO extensions can be granted, WHATSOEVER.

Assignment 1 counts 25% and assignment 2 counts 75% of your year mark. Only assignment 1 is compulsory, this means that you have to do assignment 1 and submit if you would like admission to the exam.

The assignments do not cover all the essential work of the module – they are just a tool to assist you to study the material in good time. Furthermore, doing assignments is **not** sufficient preparation for the examination. For your own good, and in preparation for the examination, we recommend that over and above the assignments, you should do all the activities properly.

7.2 EXAMINATION

The examination counts 100 marks. The entire syllabus is covered in the examination and you can therefore not afford to leave out any part of it.

The mark obtained for this examination will contribute 80% towards the final mark for this module. In order to obtain admission to the examination you must submit assignment 1 (the compulsory assignment) on or before the due date. Assignment 2 is not compulsory but it will count towards your year mark.

Once again all-important information regarding the administration of the exam is contained in the **My Studies @ Unisa** brochure.

Final mark

The final mark for this module is calculated as follows, an example:

Assignment	Weighting	Mark achieved	Final mark (weight x actual mark)
1	25% x 20%	80%	4%
2	75% x 20%	68%	10,2%
3	0%	75%	0%
Examination	80%	64%	51,2%
Final mark (rounded)			65%

A student must obtain a final mark of 50% or more in order to pass this module.

You have to achieve 40% or more in the exam before your year mark will be included to calculate a final mark.

7.3 SUPPLEMENTARY, AEGROTAT OR SPECIAL EXAMINATIONS

Supplementary, aegrotat and special examinations are allowed in this module.

Each year the Income Tax Act is amended. We **expect** you to update yourself on the latest tax amendments, but you will not be issued with any new study material. You can visit the SARS website at www.sars.gov.za for relevant updates/changes. Work through the study material that you have at your disposal together with updates/changes. Remember that if you become a tax practitioner, you will need to continually update your knowledge.

You will not be required to submit assignments if you are a supplementary, aegrotat or special examination student.

Supplementary, aegrotat or special examination student – your year mark from the previous semester will be carried forward.

As a supplementary student, you will still have access to *myUnisa* and we encourage you to make use of all the resources.

8 OTHER ASSESSMENT METHODS

There are no other assessment methods for this module.

9 OTHER

9.1 PLAGIARISM

Plagiarism is the act of taking words, ideas and thoughts of others and passing them off as your own. It is a form of theft, which involves a number of dishonest academic activities.

The *Disciplinary Code for Students* (2004) is given to students at registration. Students are advised to study the Code, especially Sections 2.1.13 and 2.1.14 (2004:3 – 4). Kindly read the University's *Policy on Copyright Infringement and Plagiarism* as well.

10 FREQUENTLY ASKED QUESTIONS

1. Must I buy the prescribed textbook or can I use a previous version?

The Income Tax Act is amended (changed) each year with the budget speech. This means that old textbooks will be out of date. Please only use the current version of the textbook.

2. I think that I found a mistake in the study material, what should I do?

In spite of the care taken to ensure that the tutorial letters, assignments and solutions are comprehensible and free from errors, omissions and discrepancies may occur, as our study material must be updated annually. Should you come across such matters, or matters that are not clearly expressed, kindly let us know to enable us to make the necessary correction. As soon as we discover a mistake we will make an announcement on the *myUnisa* system, please ensure that you register yourself to receive e-mails from the system.

3. Please could I have the answers to the old exam papers that are available on *myUnisa*.

These are uploaded automatically on *myUnisa*. We advise you, however, not to focus on old examination papers only as the content of modules and therefore examination papers changes from year to year. You may, however, accept that the type of questions that will be asked in the examination will be similar to those asked in the activities in your study guide and in the assignments. Remember that the solutions to the previous exam papers are not made available to students, as they are out of date. Assignment 3 is a previous exam paper that has been updated with the legislative amendments and new solutions are provided in tutorial letter 201. Other exam questions have in most instances been incorporated into your study guide as additional questions to work through.

You can also refer to the ***My Studies @ Unisa*** brochure which contains an A - Z guide of the most relevant study information.

4. I received my study material too late to submit my first assignment on time. What do I do now?

You will have to prove that you indeed received your study material late. Submit proof with a motivated request to examadmission@unisa.ac.za.

11 CONCLUSION

We would like to take this opportunity to extend our best wishes for success in your studies and assure you that we realise that you are not studying under ideal conditions. We invite you to communicate with us on any matter concerning this module.

12 ASSIGNMENTS FOR FIRST SEMESTER STUDENTS

INSTRUCTIONS FOR ASSIGNMENT 1



NOTE: SUBMISSION OF ASSIGNMENT 1 IS COMPULSORY IN ORDER TO OBTAIN ADMISSION TO THE EXAMINATION. ADMISSION WILL BE OBTAINED BY SUBMITTING THE ASSIGNMENT AND **NOT** BY THE MARKS YOU OBTAIN FOR IT. THIS ASSIGNMENT WILL COUNT A MAXIMUM OF 5% OF YOUR FINAL MARK. **PLEASE ENSURE THAT THIS ASSIGNMENT REACHES THE UNIVERSITY ON OR BEFORE THE DUE DATE,** SINCE LATE SUBMISSION WILL RESULT IN YOUR **NOT BEING ADMITTED TO THE EXAMINATION.** NO CORRESPONDENCE OR TELEPHONIC CONVERSATION WILL THEREFORE BE ENTERED INTO IN THIS REGARD.

IF YOU INTEND MAILING YOUR ASSIGNMENT, MAKE A COPY OF IT BEFORE YOU POST IT TO UNISA, IN CASE YOUR ASSIGNMENT IS LOST IN THE POST. WE ADVISE YOU, IF AT ALL POSSIBLE, TO **SUBMIT YOUR ASSIGNMENT ELECTRONICALLY.**

Note:

- (1) Questions can be answered on a mark-reading sheet or submitted electronically via the *myUnisa* online system.
- (2) Before completing the mark-reading sheet, study the instructions in ***My Studies @ Unisa***. Read these instructions carefully and follow them exactly to avoid mistakes.
- (3) Do your calculations on a separate piece of paper before you complete the mark-reading sheet.

IMPORTANT INFORMATION ON MULTIPLE-CHOICE ASSIGNMENTS

REMEMBER

- There is only one correct answer to each question.
- All questions are equal in value.
- Only the mark-reading sheets provided may be used.
- Colour in the correct block with an HB pencil.
- Fill in your student number correctly.
- Fill in the assignment number correctly.
- Fill in the unique assignment number for the specific semester and the module you are registered for correctly. Every assignment marked by the computer has a unique number. The number contains information on the course code and assignment number. When the computer reads the mark-reading sheet with, say, the unique number 612166, it "knows" that it is Assignment 1 for that specific module.
- Send only your mark-reading sheet in the appropriate envelope to the Assignment Section.
- Make sure that you have enough mark-reading sheets.

DO NOT

- Make more than one mark per question.
- Tear or fold the mark-reading sheet.
- Staple the mark-reading sheet to another piece of paper.
- Colour outside the block.
- Colour in the block with a pen.
- Make corrections with correction fluid.
- Try to repair a torn mark-reading sheet with sticky tape - use another mark-reading sheet.



FIRST SEMESTER

ASSIGNMENT 1 (40 marks, 48 minutes)

COURSE	DUE DATE	UNIQUE NUMBER
TAX3703	22 February 2016	755462

ASSESSMENT CRITERIA FOR THIS ASSIGNMENT

For this assignment, you will need to have achieved the learning objectives set out in **study units 1 to 4** as contained in Tutorial Letter 102/3/2016. This assignment will assess you on being able to select the appropriate alternative that best reflects the quantitative/qualitative answer to a problem.

REQUIRED:

Select the number ((1) – (4)) that represents the correct answer to the question.

QUESTION 1

Which one of the following statements is **false**?

- (1) A deceased estate consists of all the assets and liabilities left behind by a person after his/her death.
- (2) The administration of a deceased estate takes place under the supervision of an attorney.
- (3) The executor of a deceased estate is appointed by the Master.
- (4) Foreign assets of a deceased South African resident usually do not fall under the jurisdiction of the Master of the high court in South Africa, and will thus be administered in terms of the law of the country where the assets are situated.

QUESTION 2

Which one of the following is **not** normally a function of the Master?

- (1) Acceptance and safe keeping of the will
- (2) The administration of the guardian's fund
- (3) Advising beneficiaries, administrators and the general public about estate matters
- (4) Paying of the estate liabilities

QUESTION 3

Carla, who was married out of community of property to Jimmy, dies without a valid will. She is survived by Jimmy, her sister, Talana, and two grandchildren, Pat and Rick. Pat and Rick are the sons of Carla's pre-deceased daughter, who died three years ago. The distributable amount in Carla's estate is R2 850 000.

Which one of the following is the amount that Jimmy will inherit?

- (1) R2 850 000
- (2) R950 000
- (3) R1 425 000
- (4) R712 500

ASSIGNMENT 1: 1ST SEMESTER 2016 (continued)**QUESTION 4**

Jan dies intestate and is survived by his spouse Paula, to whom he was married in community of property, and his two major children, Sue and Jenny. Sue has a son, Danny and Jenny has no children. Sue repudiates her inheritance.

Which one of the following amounts will **Danny** inherit if Jan's distributable estate amounts to R960 000?

- (1) R475 000
- (2) Rnil
- (3) R115 000
- (4) R320 000

QUESTION 5

Zaid and Felisha Reddy married each other out of community of property on 31 May 2011. On 20 July 2015 it was discovered that Zaid suffered from cancer and he died two months later. The couple had no children and the growth in their respective estates since they got married amounted to R1 625 000 (Zaid) and R1 250 000 (Felisha) respectively.

Which one of the following is the amount of Felisha's accrual claim against Zaid's estate?

- (1) R375 000
- (2) R187 500
- (3) R625 000
- (4) R812 500

QUESTION 6

Curtis Burton died on 20 May 2015. His attorney, Allen Smith and his neighbour, Jeffrey Oldridge signed Curtis's will as legal witnesses. Which one of the following persons may **not** be appointed as executor in Curt's estate?

- (1) Julia, Curtis's only daughter (22 years old)
- (2) Curtis's wife, Ann
- (3) Jeffrey Oldridge, Curtis's neighbour
- (4) The Master of the High Court

QUESTION 7

Zoe's will states that her husband must inherit a flat in Pretoria and her son R1 000 000 in cash. The residue of her estate is to go to her three grandchildren from a predeceased daughter in equal parts. When she died in December 2015, the executor found that her distributable estate consisted of R975 000 cash only.

Which one of the following amounts will her son inherit?

- (1) R1 000 000
- (2) R975 000
- (3) R500 000
- (4) Rnil

ASSIGNMENT 1: 1ST SEMESTER 2016 (continued)**QUESTION 8**

Use the same information as in question 7 above.

Which of the following amounts will Zoe's surviving husband inherit?

- (1) R1 000 000
- (2) R975 000
- (3) R500 000
- (4) Rnil

QUESTION 9

Use the same information as in question 7 above.

Which of the following amounts will each of Zoe's grandchildren inherit?

- (1) R1 000 000
- (2) R975 000
- (3) R500 000
- (4) Rnil

QUESTION 10

Which one of the following statements is **false** regarding a couple married in community of property?

- (1) The spouses have equal authority over the joint estate.
- (2) If one of the spouses was the holder of a usufruct, such usufruct will not form part of the joint estate.
- (3) If one of the spouses died, the funeral costs will be a cost of the joint estate.
- (4) The couple cannot make the accrual system applicable to their marriage.

QUESTION 11

The gross value of the assets in a deceased estate amounts to R1 756 000. Total liabilities amount to R20 050, excluding executor's fees. Assume there was no income after death in this estate. Which one of the following is the amount payable as executor's fees at the prescribed tariff?

- (1) R61 460
- (2) R60 758
- (3) R351 200
- (4) R62 162

QUESTION 12

Which one of the following statements is **false**?

- (1) If a person puts a condition in his/her will which comes into effect when his/her surviving spouse remarries, the condition is regarded as being valid.
- (2) A will expires automatically if any children of the testator are born after the will has been executed.
- (3) When testators have made a joint will, one of the testators may amend his/her will without the knowledge of the other party.
- (4) The court has the right to declare a will valid even though one of the witnesses was incompetent to attest.

ASSIGNMENT 1: 1ST SEMESTER 2016 (continued)**QUESTION 13**

A and B were married out of community of property in 1990. They made the accrual system applicable to their marriage and declared the commencement values of their estates as R18 000 for A and R50 000 for B respectively. The consumer price index in 1990 was 42.4.

B died in 2001 when the consumer price index was 105.7. The net end values of the respective estates then stood at R1 400 000 for A and R1 600 000 for B.

What will the amount of the accrual claim to be brought into account in this estate be?

- (1) R150 000
- (2) R84 000
- (3) R32 000
- (4) R60 114

QUESTION 14

Which one of the following statements is **false**?

- (1) If a will is amended after execution, the testator or someone else on his behalf must confirm the amendment with his signature.
- (2) The confirmation of an amendment to a will after execution must take place in the presence of two witnesses.
- (3) A testator may only make one amendment to an existing will.
- (4) Any clause in which the testator undertakes not to amend his will, is invalid.

QUESTION 15

A will can be revoked explicitly by the execution of a number of documents containing a revocation clause in which the testator states the intention to revoke. The execution of which one of the following documents will not revoke a will?

- (1) A later will
- (2) A codicil
- (3) An inventory
- (4) A revocation document

QUESTION 16

Which one of the following statements regarding remuneration of executor's is **false**?

- (1) The prescribed tariff for executor's remuneration is:
3,5% of the gross value of assets as at the date of death, or
6% of the gross value of income accrued and collected after date of death.
- (2) The minimum executor's remuneration in respect of an estate is R350.
- (3) Executor's remuneration is shown as a cost of administration in the estate account.
- (4) The Master may increase or reduce the executor's remuneration at his discretion if good reasons exist.

QUESTION 17

Which one of the following is **not** a usual method of liquidation of assets in a solvent estate?

- (1) Awards of assets in specie
- (2) Takeover of assets by the Master
- (3) Total disposal of assets
- (4) Partial disposal of assets

ASSIGNMENT 1: 1ST SEMESTER 2016 (continued)**QUESTION 18**

Which one of the following is **not** normally a duty performed by the executor?

- (1) Paying the estate liabilities
- (2) Issuing a death certificate
- (3) Opening the estate bank account
- (4) Preparing and submitting the estate account

QUESTION 19

Which one of the following statements is **correct** regarding the accrual system?

- (1) It can only apply to marriages in community of property.
- (2) It can only apply to marriages out of community of property.
- (3) It can apply to any type of marriage if the parties to the marriage decide that it should be applicable.
- (4) None of the above.

QUESTION 20

Which one of the following statements regarding a *stirpes* is **true**?

- (1) A *stirpes* is the representative of a predeceased beneficiary in a deceased estate.
- (2) A *stirpes* is a specific legacy left to a child of the deceased.
- (3) A *stirpes* is the spouse or a predeceased child of the deceased person.
- (4) A *stirpes* is a child of the deceased.



FIRST SEMESTER

ASSIGNMENT 2

COURSE	DUE DATE	UNIQUE NUMBER
TAX3703	1 April 2016	810231



NOTE: THE MARK YOU OBTAINED FOR THIS ASSIGNMENT WILL FORM **75%** OF YOUR YEAR MARK FOR THIS MODULE. YOUR YEAR MARK WILL CONTRIBUTE 20% TO YOUR FINAL MARK.

PLEASE ENSURE THAT THIS ASSIGNMENT REACHES THE UNIVERSITY ON OR BEFORE THE DUE DATE BECAUSE **IF YOU SUBMIT IT LATE, THE MARK YOU HAVE OBTAINED FOR THIS ASSIGNMENT WILL NOT FORM PART OF YOUR YEAR MARK!** WE WILL NOT ALLOW ANY CORRESPONDENCE OR TELEPHONIC CONVERSATION IN THIS REGARD.

YOU MAY SUBMIT THIS ASSIGNMENT ELECTRONICALLY, BUT IT MUST BE IN A PDF FORMAT.

ASSESSMENT CRITERIA FOR THIS ASSIGNMENT

For this assignment, you will need to have achieved the learning objectives set out in **study units 1 to 8** as contained in Tutorial Letter 102/3/2016. The references to the chapters in the prescribed book are provided in the respective study units.

ASSIGNMENT 2: 1ST SEMESTER 2016 (continued)**QUESTION 1 (40 marks, 48 minutes)**

Luc McDonald (ID no. 5810121880086) died on 1 May 2015. He is survived by his spouse, Elaine (ID no. 6204160114066), to whom he was married in community of property, and his two major children, Sue and Larry. The deceased and his spouse resided at 20 Manfred Street, Pietermaritzburg. Master's reference number 234/2015.

The executor found the following in the estate:

	R	R
<u>Assets</u>		
(1) His residence at 20 Manfred Street, Pietermaritzburg at valuation.....		2 690 000
(2) A motor vehicle, sold by the executor for.....		250 000
(3) Furniture and personal effects at valuation.....		300 000
(4) Proceeds of a Lifeproc insurance policy M085-80..... In terms of the stipulations of the policy, the proceeds are payable to the estate.		1 820 000
(5) Proceeds of a fixed deposit with BNF Bank.....		230 000
(6) Cash in savings account..... Balance on 1/5/2015	15 000	15 836
Interest 1/5/2015 to 30/6/2015 when the account was closed	836	

Liabilities and administration costs

- Advertising.....	285
- Valuation fees.....	2 150
- Master's fees and executor's remuneration at current prescribed tariffs	

Additional information

In the joint will, compiled in 2010, the following bequests were made:

- (1) To the surviving spouse, the residence, furniture and personal effects as well as R500 000 cash.
- (2) To Crossroads, a registered welfare organisation, R20 000 cash.
- (3) The residue to Luc's children, Sue and Larry in equal parts.

The surviving spouse adiated to the stipulations of the will.

REQUIRED:	MARKS
Compile a complete executor's account for the estate of the late Luc McDonald for submission to the Master of the High Court.	40

ASSIGNMENT 2: 1ST SEMESTER 2016 (continued)**QUESTION 2 (10 marks, 12 minutes)**

On 10 June 2015, Bettina Olvers, a widow, died in a retirement home in Pretoria.

At the time of her death, she had the following assets:

1. An amount of R10 000 in the bank.
2. Some shares with a market value of R1 850 000 in a listed company. Following the advice of her attorney, Bettina purchased these shares in 2009 for R1 250 000. The executor sold these shares on 30 July 2015 for R1 855 000.

In March 2015, when Bettina moved to the retirement home, she gave her daughter an amount of R1 000 000 to buy a flat. The flat was finally registered in the daughter's name at the end of April 2015.

REQUIRED:	MARKS
<p>PART A Calculate the donations tax payable on the donation to Bettina's daughter. Assume this was the only donation that Bettina made during 2015.</p>	3
<p>PART B Assume Bettina did not have any assessed capital loss carried forward from the previous year of assessment. Calculate her taxable capital gain on the date of her death as well as the taxable capital gain of the deceased estate.</p>	7
Total	10

13 ASSIGNMENTS FOR SECOND SEMESTER STUDENTS

INSTRUCTIONS FOR ASSIGNMENT 1



NOTE: SUBMISSION OF ASSIGNMENT 1 IS COMPULSORY IN ORDER TO OBTAIN ADMISSION TO THE EXAMINATION. ADMISSION WILL BE OBTAINED BY SUBMITTING THE ASSIGNMENT AND **NOT** BY THE MARKS YOU OBTAIN FOR IT. THIS ASSIGNMENT WILL COUNT A MAXIMUM OF 5% OF YOUR FINAL MARK. **PLEASE ENSURE THAT THIS ASSIGNMENT REACHES THE UNIVERSITY ON OR BEFORE THE DUE DATE**, SINCE LATE SUBMISSION WILL RESULT IN YOUR **NOT BEING ADMITTED TO THE EXAMINATION**. NO CORRESPONDENCE OR TELEPHONIC CONVERSATION WILL THEREFORE BE ENTERED INTO IN THIS REGARD.

IF YOU INTEND MAILING YOUR ASSIGNMENT, MAKE A COPY OF IT BEFORE YOU POST IT TO UNISA, IN CASE YOUR ASSIGNMENT IS LOST IN THE POST. WE ADVISE YOU, IF AT ALL POSSIBLE, TO **SUBMIT YOUR ASSIGNMENT ELECTRONICALLY**.

Note:

- (1) Questions can be answered on a mark-reading sheet or submitted electronically via the myUnisa online system.
- (2) Before completing the mark-reading sheet, study the instructions in *My Studies @ Unisa*. Read these instructions carefully and follow them exactly to avoid mistakes.
- (3) Do your calculations on a separate piece of paper before you complete the mark-reading sheet.

IMPORTANT INFORMATION ON MULTIPLE-CHOICE ASSIGNMENTS

REMEMBER

- There is only one correct answer to each question.
- All questions are equal in value.
- Only the mark-reading sheets provided may be used.
- Colour in the correct block with an HB pencil.
- Fill in your student number correctly.
- Fill in the assignment number correctly.
- Fill in the unique assignment number for the specific semester and the module you are registered for correctly. Every assignment marked by the computer has a unique number. The number contains information on the course code and assignment number. When the computer reads the mark-reading sheet with, say, the unique number 612166, it "knows" that it is Assignment 01 for that specific module.
- Send only your mark-reading sheet in the appropriate envelope to the Assignment Section.
- Make sure that you have enough mark-reading sheets.

DO NOT

- Make more than one mark per question.
- Tear or fold the mark-reading sheet.
- Staple the mark-reading sheet to another piece of paper.
- Colour outside the block.
- Colour in the block with a pen.
- Make corrections with correction fluid.
- Try to repair a torn mark-reading sheet with sticky tape - use another mark-reading sheet.



SECOND SEMESTER

ASSIGNMENT 1 (40 marks, 48 minutes)

COURSE	DUE DATE	UNIQUE NUMBER
TAX3703	12 August 2016	805572

ASSESSMENT CRITERIA FOR THIS ASSIGNMENT

For this assignment, you will need to have achieved the learning objectives set out in **study units 1 to 4** as contained in Tutorial Letter 102/3/2016. This assignment will assess you on being able to select the appropriate alternative that best reflects the quantitative/qualitative answer to a problem.

REQUIRED:

Select the number ((1) – (4)) that represents the correct answer to the question.

QUESTION 1

Which one of the following is usually not required to have been submitted to the Master for letters of executorship to be issued?

- (1) An inventory
- (2) The deceased's original will
- (3) Banking details for the estate
- (4) The death notice

QUESTION 2

Which one of the following statements is **false**?

- (1) A deceased estate is administered by an executor or his agent, for example an attorney.
- (2) The executor is appointed by the deceased's family.
- (3) The Master will examine the liquidation and distribution account submitted by the executor and if satisfied, will give permission for it to lie open for inspection.
- (4) The executor will compile the estate accounts for submission to the Master of the High Court.

QUESTION 3

Which one of the following persons may **not** be appointed as executor of a deceased estate even if nominated as executor in the will?

- (1) The deceased's minor son
- (2) The deceased's attorney
- (3) The deceased's sister, a married woman
- (4) The deceased's friend, a teacher by profession

ASSIGNMENT 1: 2nd SEMESTER 2016 (continued)**QUESTION 4**

Which one of the following is **not** normally a duty performed by the Master and his staff?

- (1) Appointing the executor in a deceased estate
- (2) Supervising the administration process of a deceased estate
- (3) Examining the liquidation and distribution account submitted by the executor
- (4) Submitting the deceased's final income tax return to SARS

QUESTION 5

Which one of the following statements regarding the executor's remuneration is **false**?

- (1) The executor is entitled to a minimum of R350.
- (2) Where no amount was stipulated in the will, the executor may not take less than the prescribed tariff as his remuneration.
- (3) The executor is entitled to payment even if he appoints an agent to administer the estate on his behalf.
- (4) The executor's remuneration is a cost of administration payable from the estate.

QUESTION 6

Which one of the following statements is **true**?

- (1) Where spouses are married in community of property, the husband has the right to control the couple's joint assets.
- (2) Where there is no antenuptial contract, the couple can choose whether the marriage is in community or out of community of property.
- (3) Since 1 November 1984, the accrual system will automatically apply to any marriage that is subject to an antenuptial contract.
- (4) When one of the spouses in a marriage in community of property dies, the funeral costs are paid from the joint estate.

QUESTION 7

Danielle and Pierre are married out of community of property with the accrual system. If either one of them dies, which one of the following assets will be **excluded** from accrual?

- (1) An investment that Pierre made with money received as compensation after false allegations were made about him in a newspaper.
- (2) A flat that Danielle acquired after their marriage.
- (3) Their primary residence, registered in Pierre's name.
- (4) A valuable painting that Danielle purchased from the artist before he became known.

QUESTION 8

At the commencement of their marriage (out of community of property with the accrual system applying), neither Brett nor Bonita Saunders declared any assets. On their way back from their honeymoon, they were involved in a tragic accident in which Bonita died. The executor of Bonita's estate found assets worth R750 000 in her estate. Which one of the following amounts represents Brett's accrual claim against Bonita's estate if we assume that he had no assets?

- (1) Rnil
- (2) R750 000
- (3) R250 000
- (4) R375 000

ASSIGNMENT 1: 2nd SEMESTER 2016 (continued)**QUESTION 9**

Use the same information as in question 8 above, but assume that Bonita declared a bank overdraft of R10 000 when they got married. Which one of the following amounts represents Brett's accrual claim against Bonita's estate?

- (1) Rnil
- (2) R750 000
- (3) R250 000
- (4) R375 000

QUESTION 10

What is the maximum amount of the gross value of an estate for it to be administered in terms of sec 18(3) of the administration of Estates Act?

- (1) R1 000 000
- (2) R250 000
- (3) R135 000
- (4) R125 000

QUESTION 11

Vashni dies intestate and is survived by her husband Abdul to whom she was married out of community of property. Vashni has two surviving children, Pravin and Renash, both majors. Pravin has no children, whereas Renash has a son. Vashni's estate amounts to R2 100 000. Which one of the following amounts will Abdul inherit if Renash repudiates her inheritance?

- (1) R2 100 000
- (2) R700 000
- (3) R1 400 000
- (4) R525 000

QUESTION 12

Phil Woods died on 10 June 2015. Which one of the following statements is **true**?

- (1) If Phil had burned one of his wills before he died and a copy of that will was found after his death, such will would have remained valid.
- (2) If Phil left their former residence to his wife, Trudie, but the house was sold two years before his death for R2 400 000, Trudie will receive R2 400 000 from his estate in the place of the house.
- (3) If Phil did not leave anything to either his wife, Trudie, or their major son, Pete, his will is not valid.
- (4) If Phil left two wills, the stipulations of which cannot be reconciled, the later will is regarded as the valid will

QUESTION 13

The **distributable amount** in a deceased estate is R3 426 000. Total liabilities in the estate, including Master's fees and executor's remuneration (at the prescribed tariffs), amounted to R243 423. Assume there was no income after death in this estate. Which one of the following amounts represents the executor's remuneration paid in the estate?

- (1) R119 910
- (2) R128 430
- (3) R205 560
- (4) R111 390

ASSIGNMENT 1: 2nd SEMESTER 2016 (continued)**QUESTION 14**

According to their joint will, Shona and Raphael Mosehla, who were married in community of property, bequeathed a cash legacy of R3 000 000 to a charity organisation named "Footprints". After Raphael's death, Shona repudiated the will. Assume the distributable amount of their joint estate amounts to R20 000 000. Which one of the following amounts will "Footprints" receive from Raphael's estate?

- (1) R3 000 000
- (2) R6 000 000
- (3) R1 500 000
- (4) Rnil

QUESTION 15

Rentia dies without a valid will on 30 May 2015. She is survived by her mother, Matilda, her spouse, Andrew and their three children, Bettie, Mildred and Annie. Rentia and Andrew were married in community of property and their distributable estate amounts to R3 249 000. Which one of the following amounts will Matilda receive from the estate?

- (1) R3 249 000
- (2) R649 800
- (3) R1 624 500
- (4) Rnil

QUESTION 16

Use the same information as in question 15 above. Which one of the following amounts will Rentia's husband, Andrew, receive from the total estate?

- (1) R2 030 625
- (2) R1 949 400
- (3) R1 624 500
- (4) R1 749 500

QUESTION 17

Use the same information as in question 15 above. Which one of the following amounts will Rentia's daughter, Mildred receive from the estate?

- (1) R541 500
- (2) R324 900
- (3) R812 250
- (4) R406 125

QUESTION 18

Mary dies intestate with a distributable estate of R1 000 000. She is survived by her mother, Ronda, and a half-brother, Tim, on her mother's side. Which one of the following amounts will Tim receive from Mary's estate?

- (1) Rnil
- (2) R500 000
- (3) R250 000
- (4) R750 000

ASSIGNMENT 1: 2nd SEMESTER 2016 (continued)**QUESTION 19**

Hendrik dies intestate and is survived by Viola, his spouse to whom he was married out of community of property, an adopted son, Brad, as well as a grandson, Chris, the child of Hendrik's predeceased daughter. Hendrik's distributable estate amounts to R825 000. Which one of the following amounts will Viola receive from Hendrik's estate?

- (1) R125 000
- (2) R400 000
- (3) R275 000
- (4) R412 500

QUESTION 20

Use the same information as in question 19 above. Which one of the following amounts will Chris receive from his grandfather's estate?

- (1) R125 000
- (2) R400 000
- (3) R275 000
- (4) R412 500



SECOND SEMESTER

ASSIGNMENT 2

COURSE	DUE DATE	UNIQUE NUMBER
TAX3703	23 September 2016	846088



NOTE: THE MARK YOU OBTAINED FOR THIS ASSIGNMENT WILL FORM **75%** OF YOUR YEAR MARK FOR THIS MODULE. YOUR YEAR MARK WILL CONTRIBUTE 20% TO YOUR FINAL MARK.

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ASSESSMENT CRITERIA FOR THIS ASSIGNMENT

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ASSIGNMENT 2: 2nd SEMESTER 2016 (continued)**QUESTION 1 (40 marks, 48 minutes)**

Victor Stein (ID no: 6102283030092) died on 25 March 2015 at Johannesburg, Gauteng, where he normally resided. Victor is survived by Linette (ID no: 6508130060090), his surviving spouse, to whom he was married out of community of property and Chrissie and Katlin, major daughters of the deceased from a previous marriage. The Master's reference number for the estate is 5444/2015.

The following assets and liabilities were found in the estate:

<u>Assets</u>	R
1. Residence at 16 Willow Avenue, Johannesburg, at valuation.....	2 900 000
2. Motor vehicle, sold at a public auction for.....	250 000
3. Personal effects and household goods sold by public auction for.....	130 000
4. Fixed deposit at Afrigap Bank.....	600 000
5. Current account at Afrigap Bank	15 000
6. Annuity of R50 000 per annum. Victor was the recipient of the annuity which was paid by his brother. The annuity was not charged upon property. After Victor's death, the annuity is payable to Sarah, Victor's younger sister, for a period of 10 years. Sarah was 19 years and 8 months old when Victor died.	

Liabilities and expenses

1. Executor's remuneration and Master's fees according to the prescribed tariff	
2. Advertising.....	520
3. Accountant's Fees - the executor appointed and paid an accountant to:	
(a) prepare the accounts for submission to the Master.....	5 000
(b) complete outstanding tax returns and finalise outstanding tax queries.....	2 000

The estate received interest of R6 000 (**not** included in the R600 000 above) on the fixed deposit, earned for the period from the date of death until the date on which the deposit was withdrawn by the executor.

Additional information

Victor had a valid will in which the following bequests were made:

- (a) To the surviving spouse - residence at 16 Willow Avenue, Johannesburg.
- (b) To Chrissie Stein, a cash legacy of R60 000.
- (c) To Kyle Stein, a cash legacy of R100 000.

Kyle is a predeceased son of Victor and Linette. Kyle had no relatives other than his parents and step-sisters.

The will did not stipulate how the residue of the estate should devolve and the surviving spouse adiated to the terms of the will.

REQUIRED:	MARKS
1. Prepare a complete executor's account in the estate of Victor Stein for submission to the Master of the High Court. You must prepare the estate duty addendum, even if there is no estate duty payable.	36
2. Calculate the capital gains tax (if any) of the deceased, Victor Stein, on the assets in his estate. If you consider certain assets not to be subject to capital gains tax, please give brief reasons why.	4

ASSIGNMENT 2: 2nd SEMESTER 2016 (continued)**QUESTION 2 (10 marks, 12 minutes)**

In 2015, Frans Bleeksiel (born on 1 September 1944), made two donations:

1. On 28 November 2015, he donated the bare dominium of his farm, Brakwater, to his grandson, Ross (born 11 March 1991) and a lifelong usufruct over the same farm to Ross's mother, Sunette (born on 1 May 1969). At the time that Frans made the donation, the farm was valued at R4 500 000 and was used for bona fide farming purposes.
2. On 20 December 2015, Frans also donated R15 000 to Mary, his housekeeper, as acknowledgement of 20 years' service.

REQUIRED:	MARKS
Calculate the amount of donations tax payable on each of the donations made by Frans Bleeksiel in 2015.	10