

Non-resident sellers of immovable property

From 1 September 2007, a purchaser of immovable property (which has been disposed of in excess of R2 million) is obliged to withhold the amounts set out below from the purchase price payable and pay the tax to SARS, if the seller of the property is not resident in South Africa:

- 7.5% where the seller is a natural person;
- 10% where the seller is a company; and
- 15% where the seller is a trust.

A non-resident seller of immovable property may be entitled to request that tax be withheld at a lower or even zero rate. The reasons why a sale would attract a lower rate of tax will depend on the facts of the particular case. For example, the seller may be fully exempt from income tax, or in the case of an individual, have a low taxable income or may have disposed of the property at a loss. To request a tax directive for a lower or zero rate of tax to be withheld, the seller must complete [form NR03](#) and submit it together with the offer to purchase, tax calculation and supporting documentation to nres@sars.gov.za or use one of the other submission methods described on the form.

The directive application is generally processed within 21 business days.