

Apportionment of the primary residence exclusion

Year (tax year ending on 28 February)	Primarily resident	Used for trading purposes(i.e. rental)	Total Months
2005	12		12
2006	12		12
2007	12		12
2008	6	6	12
2009		12	12
2010		11	11
Total	42	29	71

Capital gain	
Proceeds (sale price)	5,000,000.00
Base cost	3,000,000.00
Gain before primary residence exclusion	2,000,000.00
Less: portion of the gain relating to period used as a primary residence and qualifying for primary residence exclusion [R2 million x 42/71, limited to R1.5 million]	1,183,098.59
Capital gain	816,901.41
Mr Expat's capital gain	816,901.41
CGT payable by Mr Expat	
Capital gain	816,901.41
Less: annual exclusion	-17,500.00
Taxable capital gain	799,401.41
CGT for Mr Expat at an effective rate of 10%	79,940.14