

79. Directions as to duty in certain cases

- (1) A lease or agreement for a lease, or with respect to any letting, is not to be charged with any duty in respect of any penal rent or increased rent in the nature of a penal rent thereby reserved or agreed to be reserved or made payable, or by reason of being made in consideration of the surrender or abandonment of any existing lease or agreement of or relating to the same subject matter.
- (2) No lease or agreement for a lease made for any consideration or considerations in respect whereof it is chargeable with *ad valorem* duty, and in further consideration either of a covenant by the lessee to make, or of his having previously made, any substantial improvement of or addition to the property demised to him, or of any covenant relating to the matter of the lease or agreement for a lease; is to be charged with any duty in respect of such further consideration.

Provided that this subsection shall not apply as respects any further consideration in the lease or agreement for a lease consisting of a covenant which if it were contained in a separate deed would be chargeable with *ad valorem* duty, and accordingly the lease or agreement for a lease shall in any such case be charged with duty in respect of any such further consideration under section 19.

[Section 79 amended by No. 37 of 1979 s. 58; No. 20 of 1996 s. 37; No. 2 of 2003 s. 103; No. 66 of 2003 s. 77.]