THE SUPREME COURT OF APPEAL OF SOUTH AFRICA

MEDIA SUMMARY OF JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL

From: The Registrar, Supreme Court of Appeal

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Showroom Centre (Pty) Ltd v Kagan (573/2024) [2026] ZASCA 103 (27 July 2026)

Today the Supreme Court of Appeal (SCA) handed down judgment in which it dismissed the applicant's taxation review with costs.

In this matter, the SCA considered a taxation review brought in terms of rule 17 of the Rules Regulating the Conduct of the Proceedings of the Supreme Court of Appeal of South Africa. The applicants sought to review the Taxing Master's *allocatur* following the taxation of the respondent's bills of costs after their unsuccessful application for leave to appeal. They challenged the Taxing Master's decision to allow items relating to the respondent's legal costs incurred during a subsequent application for reconsideration under section 17(2)*(f)* of the Superior Courts Act, together with the associated condonation application.

The applicants' original application for leave to appeal had been dismissed before they had an opportunity to file a replying affidavit, despite the time for doing so not having expired. Those facts were not brought to the judges' attention. They consequently applied to the President of the SCA (the President) for reconsideration in terms of section 17(2)*(f)* of the Superior Courts Act and sought condonation for the late filing of that application. The President granted condonation, ordered the applicants to pay the costs of that application, and referred the refusal of leave to appeal for reconsideration. The reconsideration application was heard on 7 November 2025. On 21 November 2025, the SCA granted reconsideration without making a costs order but again dismissed the application for leave to appeal with costs. The applicants therefore contended that they were liable only for the costs of the application for leave to appeal and the reconsideration proceedings before the President. During the subsequent taxation of the respondent's bills of costs, the applicants did not object to the items relating to the reconsideration proceedings or the associated condonation application.

On 2 April 2026, the applicants filed their rule 17(3) notice seeking to review the Taxing Master's decisions allowing items in both bills relating to legal services connected with the reconsideration application and the associated condonation application. The applicants contended that no costs orders were made in respect of those applications. They therefore submitted that the respondent was not entitled to recover fees charged by either his instructing attorneys or his Bloemfontein correspondents for that work, and that the Taxing Master erred in allowing those items.

The principal issue before the SCA was whether the applicants could, in a review under rule 17(3), challenge items that had not been objected to before the Taxing Master during taxation. The applicants argued that the Taxing Master had acted beyond her powers by allowing costs for proceedings in respect of which no costs order had expressly been made and that she ought to have disallowed those items of her own accord. The respondent and the Taxing Master maintained that the applicants had failed to raise these objections during taxation and were therefore precluded from relying on them for the first time on review.

The SCA reaffirmed the well-established principle that a Taxing Master exercises a wide discretion in determining whether costs claimed in a bill are reasonable and courts will not lightly interfere with a discretion presumed to have been exercised judicially, reasonably and on proper principles. Intervention is warranted only where the Taxing Master was clearly wrong; that is, where the Taxing Master's view differs so materially from that of the reviewing court that the ruling cannot stand. The SCA further emphasised that rule 17(3) confines a taxation review to items that were specifically objected to during taxation or disallowed by the Taxing Master *mero motu*. The rule does not permit a party to raise, for the first time on review, objections that were not advanced during the taxation proceedings. Although rule 17(4) permits a party to advance a new legal ground in support of an existing objection, it does not allow a party to challenge, for the first time on review, an item that was never disputed before the Taxing Master.

The SCA further rejected the applicants' contention that the Taxing Master ought not to have allowed any item connected with the reconsideration application because all work connected with the reconsideration application fell outside the existing costs order. The SCA found that this argument rests on too narrow a view of the reconsideration process. It held that the reconsideration proceedings were procedurally and substantively linked to the original application for leave to appeal. The SCA therefore held that the proper question was whether the work was sufficiently connected to, or reasonably necessary for, the respondent's opposition to the application for leave to appeal, in respect of which a costs order had been made. If so, those items could fall within the costs covered by that order, subject always to taxation.

The SCA also dismissed the applicants' remaining challenges to counsel's fees and various perusal charges. The Taxing Master explained that she allowed the fees only after considering both the applicable tariff and the nature of the work performed. Those were matters falling squarely within her taxation discretion. The SCA found that the applicants have advanced no factual or legal basis showing that the Taxing Master misapplied the tariff, ignored a relevant consideration, took account of an irrelevant consideration, or reached a conclusion no reasonable Taxing Master could have reached. Consequently, the SCA found that these objections amounted to no more than bare assertions. The applicants failed to demonstrate that the Taxing Master was clearly wrong in allowing the disputed items.

The SCA accordingly held that the applicants had not brought themselves within the scope of review contemplated by rule 17(3) in respect of objections to items relating to the reconsideration application. As the disputed items had not been properly challenged during taxation and no material misdirection by the Taxing Master had been established, the review was dismissed with costs.

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