**4. Report of the Standing Committee on Finance on the Rates and Monetary Amounts and Amendment of Revenue Laws Bill [B37 – 2018] (National Assembly - section 77), dated 14 November 2018**

The Standing Committee on Finance, having considered and examined the ***Rates and Monetary Amounts and Amendment of Revenue Laws Bill [B37 - 2018]*** (National Assembly- section 77), referred to it, and classified by the JTM as a Money Bill, reports as follows;

1. **INTRODUCTION**
	1. The 2018 Rates and Monetary Amounts and Amendment of Revenue Laws Bill was table by the Minister of Finance during the MTBPS 2018. The draft version of the Bill was published for comments by the National Treasury on 09 March 2018 and the Standing Committee on Finance (Committee) held three sets of public hearings on the draft and had extensive further engagements with stakeholders particularly on the 1% VAT increase.
	2. This Bill seeks to fix the rates of normal tax and amend the rate of estate duty under the Estate Duty Act, 1955; the rates of tax and monetary amounts under the Income Tax Act of 1962; the rates of duty in Schedule 1 of the Customs and Excise Act, 1964; the rates of the Value-Added Tax (VAT) under the Value-Added Tax Act, 1991; a provision so as to provide for more efficient taxation of electronic commerce; and to provide for other connected matters.
2. **Policy Issues**
	1. There were no major submissions on any of the policy issues mentioned in section 1 above except the vigorous opposition of almost all the stakeholders to the 1% VAT increase. The Committee’s processing of the VAT issue and decisions taken on it are dealt with in the Report on the Tax Administration Laws Amendment Bill.

The Democratic Alliance (DA) reserve their position on the Bill

Report to be considered