

MONEY BILLS AND RELATED MATTERS ACT NO. 9 OF 2009

[ASSENTED TO 14 APRIL, 2009]
[DATE OF COMMENCEMENT: 16 APRIL, 2009]

(English text signed by the President)

This Act has been updated to *Government Gazette* 42107 dated 17 January, 2019.

as amended by

Money Bills Amendment Procedure and Related Matters Amendment Act, [No. 13 of 2018](#)

ACT

To provide for a procedure to amend money Bills and division of revenue Bills and related fiscal instruments before Parliament; to represent the interest of the people on public finances; to ensure public participation in the budget process; and for norms and standards for amending money Bills before provincial legislatures; and to provide for matters connected therewith.

[Long title substituted by s. 18 of [Act No. 13 of 2018](#).]

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:-

Preamble

WHEREAS [the Constitution](#) requires that all spheres of government must not assume any power or function except those conferred on them in terms of [the Constitution](#); and exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional or institutional integrity of government in another sphere;

WHEREAS [the Constitution](#) provides that only the Cabinet member responsible for national financial matters may introduce a money Bill or a Bill which provides for legislation envisaged in [section 214](#) of [the Constitution](#):

WHEREAS [the Constitution](#) provides that legislative authority of the national sphere of government is vested in Parliament;

WHEREAS [the Constitution](#) provides that an Act of Parliament must provide for a procedure to amend money Bills before Parliament;

AND WHEREAS the purpose of amending money Bills is to give effect to resolutions on oversight of the National Assembly and the National Council of Provinces,

BE IT THEREFORE ENACTED by the Parliament of the Republic of South Africa, as follows:-

ARRANGEMENT OF SECTIONS

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3.	Application of this Act
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1. Definitions.-In this Act, unless the context indicates otherwise-

"Adjustments Appropriation Bill" means the bill that provides for adjustments to the Appropriation Act necessary to give effect to a national adjustments budget referred to in section 30 of the Public Finance Management Act;

[Definition of "Adjustments Appropriation Bill" substituted by s. 1 (a) of Act No. 13 of 2018.]

Wording of Sections

"advisory board" means the chairpersons of the committees of finance and appropriations in each House as well as the house chairpersons of the National Assembly and the National Council of Provinces;

[Definition of "advisory board" inserted by s. 1 (b) of Act No. 13 of 2018.]

"budgetary revenue and expenditure" means the revenue and expenditure that is approved through the annual appropriation and revenue Acts;

"Chairperson" means the Chairperson of the National Council of Provinces or, when applicable, the office-bearer acting as Chairperson of the Council;

"committee" means a committee, subcommittee or joint committee consisting of members of Parliament and established in terms of the standing rules or legislation;

[Definition of "committee" substituted by s. 1 (c) of Act No. 13 of 2018.]

Wording of Sections

"committee on appropriations" means the committee in each House established in terms of section 4 (3) responsible for considering matters of expenditure;

"committee on finance" means the committee in each House established in terms of section 4 (1) responsible for considering macroeconomic, fiscal and revenue policy;

"contingent liabilities" means implicit government liabilities that may arise out of contractual and non-contractual obligations;

"day" means any day other than a Saturday, Sunday, public holiday or a day on which Parliament is in recess;

"department" means a national department or a national government component as defined in the Public Finance Management Act;

[Definition of "department" inserted by s. 1 (d) of Act No. 13 of 2018.]

"Division of Revenue Bill" means the Bill which must be introduced in the National Assembly annually in terms of section 10 of the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997), pursuant to section 214 (1) of the Constitution;

[Definition of "Division of Revenue Bill" substituted by s. 1 (e) of Act No. 13 of 2018.]

Wording of Sections

"Executive Authority" means the Speaker of the National Assembly and the Chairperson of the National Council of Provinces, acting jointly;

[Definition of "Executive Authority" inserted by s. 1 (f) of Act No. 13 of 2018.]

"extra-budgetary revenue and expenditure" means the financial implication of government transactions that are not included in the annual appropriation act or revenue acts;

"Financial Management of Parliament and Provincial Legislatures Act" means the Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act No. 10 of 2009);

[Definition of "Financial Management of Parliament and Provincial Legislatures Act" inserted by s. 1 (g) of Act No. 13 of 2018.]

"fiscal framework" means the framework covering the period of the MTEF that gives effect to the national executive's macro-economic policy and includes-

- (a) estimates of all revenue proposals, budgetary and extra-budgetary specified separately, estimated to be raised during that period;
- (b) estimates of all expenditure, budgetary and extra-budgetary specified separately, for that period;
- (c) estimates of borrowing for that period;
- (d) estimates of interest and debt servicing charges; and
- (e) an indication of the contingency reserve necessary for an appropriate response to emergencies or other temporary needs, and other factors based on similar objective criteria;

[Definition of "fiscal framework" substituted by s. 1 (h) of Act No. 13 of 2018.]

Wording of Sections

"House" means the National Assembly or the National Council of Provinces, as the case requires;

"joint rules" means the rules referred to in [section 45](#) of [the Constitution](#);

"main division within a vote" has the same meaning as defined in the Public Finance Management Act;
[Definition of ["main division within a vote"](#) inserted by [s. 1 \(j\)](#) of [Act No. 13 of 2018](#).]

"medium term budget policy statement" means the medium term budget policy statement referred to in [section 6](#);

"MTEF" means the Medium Term Expenditure Framework that-

- (a) translates government policies and plans into a multi-year spending plan; and
- (b) promotes transparency, accountability and effective public financial management for expenditure of the current and subsequent two financial years;

[Definition of ["MTEF"](#) inserted by [s. 1 \(j\)](#) of [Act No. 13 of 2018](#).]

"Minister" means the Cabinet member responsible for national financial matters;

"money Bill" is a Bill referred to in [section 77](#) of [the Constitution](#), or part of such a Bill;

"national adjustments budget" means the national adjustments budget referred to in section 30 of the Public Finance Management Act;

"national budget" means the national annual budget referred to in section 27 of the Public Finance Management Act;

"National Treasury" means the National Treasury established by [section 5](#) of the Public Financial Management Act;

"Parliament" means the National Assembly and the National Council of Provinces referred to in [section 42](#) of [the Constitution](#);

[Definition of ["Parliament"](#) substituted by [s. 1 \(k\)](#) of [Act No. 13 of 2018](#).]

Wording of Sections

"Public Finance Management Act" means the Public Finance Management Act, 1999 ([Act No. 1 of 1999](#));

[Definition of ["Public Finance Management Act"](#) substituted by [s. 1 \(l\)](#) of [Act No. 13 of 2018](#).]

Wording of Sections

"revenue Bills" means Bills that impose or abolish national taxes, levies, duties or surcharges or which abolish reduce or grant exemption from any national taxes, levies, duties or surcharges;

"Secretary"

[Definition of ["Secretary"](#) deleted by [s. 1 \(m\)](#) of [Act No. 13 of 2018](#).]

Wording of Sections

"Speaker" means Speaker of the National Assembly or, when applicable, the office bearer acting as Speaker;

"standing rules" means the rules made by the National Assembly or the National Council of Provinces in terms of [section 57](#) or [70](#) of [the Constitution](#), or the joint rules, as the case requires;

"the Constitution" means [the Constitution](#) of the Republic of South Africa, 1996; and

"this Act" includes the regulations made under [section 16A](#); and

[Definition of ["this Act"](#) inserted by [s. 1 \(n\)](#) of [Act No. 13 of 2018](#).]

"vote" has the same meaning as defined in the Public Finance Management Act.

2. Interpretation of this Act.-Every person interpreting or applying this Act must-

- (a) do so in a manner that gives effect to the constitutional authority of the National Assembly and the National Council of Provinces in passing legislation and maintaining oversight of the exercise of national executive authority; and
- (b) take into account the relevant fiscal framework submitted to and adopted by Parliament.

3. Application of this Act.-This Act applies to all money Bills, all division of revenue Bills, the medium term budget policy statement, the fiscal framework, amendments to any of the aforesaid and related instruments brought before Parliament.

[[S. 3](#) substituted by [s. 2](#) of [Act No. 13 of 2018](#).]

Wording of Sections

4. Parliamentary committees for consideration of money Bills.-(1) Each House must establish a committee on finance.

(2) A committee on finance has the powers and functions conferred on it by the Constitution, legislation, the standing rules or a resolution of a House, including considering and reporting on-

- (a) the national macro-economic and fiscal policy;
- (b) the fiscal framework, revised fiscal framework, Bills and amendments thereto;
- (c) actual revenue published by the National Treasury; and
- (d) any other related matter set out in this Act.

[Sub-s. (2) substituted by s. 3 (a) of Act No. 13 of 2018.]

Wording of Sections

(3) Each house must establish a committee on appropriations.

(4) A committee on appropriations has the powers and functions conferred on it by the Constitution, legislation, the standing rules or a resolution of a House, including considering and reporting on-

- (a) spending issues;
- (b) the Division of Revenue Bill, the Appropriation Bill, Supplementary Appropriation Bills, the Adjustments Appropriation Bill, and amendments thereto;
- (c) recommendations of the Financial and Fiscal Commission, including those referred to in the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997);
- (d) reports or statements on actual expenditure published by the National Treasury; and
- (e) any other related matter set out in this Act.

[Sub-s. (4) substituted by s. 3 (b) of Act No. 13 of 2018.]

Wording of Sections

(5) The standing rules must provide for-

- (a) the composition of the committees;
- (b) the election of the chairpersons;
- (c) the functions of the committees in addition to those stipulated in this Act;
- (d) consultation between the respective committees on finance of each House;
- (e) consultation between the respective committees on appropriations of each House; and
- (f) any other related matter.

5. Procedure prior to introduction of national budget.-(1) The National Assembly, through its committees, must annually assess the performance of each national department, with reference to the following:

- (a) The medium term estimates of expenditure of each national department, its strategic goals and measurable objectives, as tabled in the National Assembly with the national budget;
- (b) prevailing strategic plans;
- (c) the expenditure reports or statements relating to a vote appropriating funds for such department published by the National Treasury in terms of section 32 of the Public Finance Management Act;
- (d) the financial statements and annual report of such department;
- (e) the reports of the Standing Committee on Public Accounts relating to a department; and
- (f) any other information requested by or presented to a House or Parliament.

[Sub-s. (1) substituted by s. 4 (b) of Act No. 13 of 2018.]

Wording of Sections

(2) Committees must annually submit budgetary review and recommendation reports for tabling in the National Assembly for each department.

(3) A budgetary review and recommendation report-

- (a) must provide an assessment of the department's service delivery performance given available resources;
- (b) must provide an assessment on the effectiveness and efficiency of the department's use and forward

allocation of available resources; and

[Para. (b) substituted by s. 4 (c) of Act No. 13 of 2018.]

Wording of Sections

(c) may include recommendations on the forward use of resources.

(4) A committee reporting to the National Assembly in terms of this section must submit its budgetary review and recommendation report after the adoption of the Appropriation Bill and prior to the adoption of the reports on the medium term budget policy statement.

[Sub-s. (4) substituted by s. 4 (d) of Act No. 13 of 2018.]

Wording of Sections

(5) Any budgetary review and recommendation report must be submitted to the Minister and the member of Cabinet responsible for the vote to which the report applies after its adoption by the National Assembly and prior to the adoption of the reports on the Medium Term Budget Policy Statement.

(6) Additional budgetary review and recommendation reports may be submitted at the discretion of a committee of the National Assembly.

[S. 5 amended by s. 4 (a) of Act No. 13 of 2018. Sub-s. (6) substituted by s. 4 (e) of Act No. 13 of 2018.]

Wording of Sections

6. Medium Term Budget Policy Statement.-(1) At least three months prior to the introduction of the national budget, the Minister must submit to Parliament a medium term budget policy statement.

(2) The medium term budget policy statement must include-

- (a) a revised fiscal framework for the financial year in which the statement is tabled and the proposed fiscal frameworks for the next three financial years;
- (b) an explanation of the macro-economic and fiscal policy position, the macro-economic projections and the assumptions underpinning the fiscal framework;
- (c) the spending priorities of national government for the next three financial years;
- (d) the proposed division of revenue between the spheres of government for the next three financial years;
- (e) the proposed substantial adjustments to conditional grant allocations to provinces and municipalities, if any; and
- (f) a review of actual spending by each national department and each provincial government between 1 April and 30 September of the financial year in which the statement is tabled.

[Sub-s. (2) substituted by s. 5 (a) of Act No. 13 of 2018.]

Wording of Sections

(3) A House must refer matters referred to in subsection (2) (a) and (b) to its committee on finance.

[Sub-s. (3) substituted by s. 5 (a) of Act No. 13 of 2018.]

Wording of Sections

(4) A House may require its committee on finance to consult with any other committee in considering matters referred to it.

(5) Each committee on finance must, within 15 days after the tabling of the medium term budget policy statement or as soon as reasonably possible thereafter, report to the National Assembly or the National Council of Provinces, as the case requires, on the proposed fiscal framework for the next three financial years, which report may be consolidated with the report referred to in section 12 (7).

[Sub-s. (5) substituted by s. 5 (b) of Act No. 13 of 2018.]

Wording of Sections

(6) The report may include recommendations to amend the proposed fiscal framework.

[Sub-s. (6) substituted by s. 5 (b) of Act No. 13 of 2018.]

Wording of Sections

(7) A report referred to in subsection (5) must be submitted to the Minister within seven days after its adoption by a House or as soon as reasonably possible thereafter.

[Sub-s. (7) substituted by s. 5 (b) of Act No. 13 of 2018.]

Wording of Sections

(8) A House must refer matters concerning subsection (2) (c), (d), (e) and (f) to its committee on appropriations and may, in addition, refer matters concerning subsection (2) (f) to any other committee.

[Sub-s. (8) substituted by s. 5 (b) of Act No. 13 of 2018.]

Wording of Sections

(9) A House may require its committee on appropriations to consult with any other committee in considering

matters referred to it.

(10) Each committee on appropriations must, within 30 days after the tabling of the medium term budget policy statement or as soon as reasonably possible thereafter, submit a report to the National Assembly or the National Council of Provinces, as the case requires, on the proposed division of revenue and the conditional grant allocations to provinces and municipalities.

[Sub-s. (10) substituted by s. 5 (c) of Act No. 13 of 2018.]

Wording of Sections

(11) A report referred to in subsection (10) may include a recommendation to amend the proposed division of revenue.

[Sub-s. (11) substituted by s. 5 (c) of Act No. 13 of 2018.]

Wording of Sections

(12) A report referred to in subsection (10) must be submitted to the Minister within seven days after its adoption by a House or as soon as reasonably possible thereafter.

[Sub-s. (12) substituted by s. 5 (c) of Act No. 13 of 2018.]

Wording of Sections

7. Introduction of national annual budget, Division of Revenue Bill and Appropriation Bill.-(1) The Minister must table the national annual budget in the National Assembly as set out in section 27 of the Public Finance Management Act, at the same time as the Division of Revenue Bill and the Appropriation Bill.

(2) In addition to the information stipulated in section 27 of the Public Finance Management Act, the documentation tabled by the Minister with the national annual budget must include-

- (a) the proposed fiscal framework;
- (b) the key macro-economic assumptions underlying the fiscal framework over the short, medium and long term;
- (c) key fiscal ratios for the next three financial years, including revenue, expenditure, the primary and overall balance and outstanding general government and public sector debt at the end of the financial year as a percentage of gross domestic product;
- (d) tax and other revenue proposals, including the contribution of the different revenue categories to national revenue for the next three financial years;
- (e) cyclical factors taken into account in the formulation of the proposed fiscal framework for the next three financial years;
- (f) an estimate of aggregate general government and public sector debt levels in the short, medium and long term;
- (g) an estimate and breakdown of contingent liabilities for the next three financial years; and
- (h) any other information requested by a House from time to time.

(3) . . .

(4) The Minister must submit a report to the Houses at the same time as tabling the Bills referred to in subsection (1), explaining how the Division of Revenue Bill and the national budget give effect to, or the reasons for not taking into account, the recommendations contained in the reports referred to in sections 5 (2), 6 (7) and 6 (12).

[S. 7 substituted by s. 6 of Act No. 13 of 2018.]

Wording of Sections

8. Adoption of fiscal framework.-(1) The National Assembly and the National Council of Provinces must refer the fiscal framework to their respective committees on finance.

[Sub-s. (1) substituted by s. 7 (b) of Act No. 13 of 2018.]

Wording of Sections

(2) The committees must conduct joint public hearings on the fiscal framework.

[Sub-s. (2) substituted by s. 7 (b) of Act No. 13 of 2018.]

Wording of Sections

(3) The committees must, within 16 days after the tabling of the national budget or as soon as reasonably possible thereafter, report to the National Assembly or the National Council of Provinces, as the case requires, on the fiscal framework.

[Sub-s. (3) substituted by s. 7 (b) of Act No. 13 of 2018.]

Wording of Sections

(4) The report must include a clear statement accepting or amending the fiscal framework.

[Sub-s. (4) substituted by s. 7 (b) of Act No. 13 of 2018.]

Wording of Sections

(5) When amending the fiscal framework, a money Bill or taking any decision in terms of this Act, Parliament and its committees must-

(a) ensure that there is an appropriate balance between revenue, expenditure and borrowing;

(b) ensure that debt levels and debt servicing charges are reasonable;

[Para. (b) substituted by s. 7 (c) of Act No. 13 of 2018.]

Wording of Sections

(c) ensure that the cost of recurrent spending is not deferred to future generations;

(d) ensure that there is adequate provision for spending on infrastructure development, overall capital spending and maintenance;

(e) consider the short, medium and long term implications of the fiscal framework, division of revenue and national budget on the long-term growth potential of the economy and the development of the country;

(f) take into account cyclical factors that may impact on the prevailing fiscal position; and

(g) take into account all public revenue and expenditure, including extra-budgetary funds, and contingent liabilities.

(6) If the report includes amendments to the fiscal framework or revenue proposals-

(a) amendments to the revenue proposals must comply with [section 11 \(3\)](#) of this Act;

(b) the Minister must be given at least two days to respond to the report and any proposed amendments prior to the submission of the respective reports to the Houses; and

(c) the respective reports of the committees on finance must include the responses of the Minister.

(7)

[Sub-s. (7) deleted by s. 7 (d) of Act No. 13 of 2018.]

Wording of Sections

(8) If there is a material difference in the resolutions passed by the National Council of Provinces and the National Assembly, the National Assembly must reconsider its resolution, taking into account the differences with the resolution passed by the National Council of Provinces, and pass its resolution again with or without amendments.

(9) Any amendments to the Division of Revenue Bill, the revenue Bills or the Appropriation Bill must be in accordance with the estimates of revenue and expenditure, excluding statutory expenditure, debt service cost and the contingency allowance as contained in the resolution of the National Assembly which adopted the fiscal framework.

[S. 8 amended by s. 7 (a) of Act No. 13 of 2018.]

Wording of Sections

9. Passing the Division of Revenue Bill.-(1) After the adoption of the fiscal framework the Division of Revenue Bill must be referred to the committee on appropriations of the National Assembly for consideration and report.

(2) After the Division of Revenue Bill is passed by the National Assembly and referred to the National Council of Provinces, the Bill must be referred to the committee on appropriations of the National Council of Provinces for consideration and report.

[Sub-s. (2) substituted by s. 8 (a) of Act No. 13 of 2018.]

Wording of Sections

(3) The Division of Revenue Bill must be passed within 35 days after the adoption of the fiscal framework by Parliament or as soon as reasonably possible thereafter.

[Sub-s. (3) substituted by s. 8 (a) of Act No. 13 of 2018.]

Wording of Sections

(4) Any amendment to the Division of Revenue Bill must be consistent with the adopted fiscal framework and [section 214 of the Constitution](#).

(5) The standing rules must provide for-

(a) the participation of other committees in considering the Division of Revenue Bill;

(b) public hearings by the committees on appropriations;

- (c) any member of Cabinet affected by the proposed amendments to respond to the proposed amendments affecting conditional grant allocations;
- (d) provinces and municipalities affected by the proposed amendments to respond to the proposed amendments; and
- (e) the committee on appropriations of each House to prepare a report on the Division of Revenue Bill in accordance with [subsection \(6\)](#).

[Sub-s. (5) substituted by [s. 8 \(b\)](#) of [Act No. 13 of 2018](#).]

Wording of Sections

(6) The report of the respective committees on appropriations must, at least-

- (a) indicate whether the effects of the proposed amendments on the total national, provincial and local government equitable and conditional grant allocations in terms of the Bill are consistent with the adopted fiscal framework;
- (b) motivate the amendments in terms of service delivery improvements; and
- (c) demonstrate that the impact of amendments has been taken into account in respect of the service delivery obligations of all affected national departments, provincial governments and municipalities.

[Sub-s. (6) substituted by [s. 8 \(b\)](#) of [Act No. 13 of 2018](#).]

Wording of Sections

(7) The committee on appropriations must-

- (a) consult with the Financial and Fiscal Commission; and
- (b) allow the Minister the opportunity to respond to any proposed amendments at least three days prior to the submission of the report to the relevant House.

[Sub-s. (7) substituted by [s. 8 \(b\)](#) of [Act No. 13 of 2018](#).]

Wording of Sections

(8) The reports submitted by the committees on appropriations to the respective Houses must be accompanied by any response of the Minister to any proposed amendments.

[Sub-s. (8) substituted by [s. 8 \(b\)](#) of [Act No. 13 of 2018](#).]

Wording of Sections

10. Passing the Appropriation Bill.-(1) After the adoption of the fiscal framework-

- (a) the Appropriation Bill must be referred to the committee on appropriations of the National Assembly;
- (b) the Minister must table the proposals setting out the purpose and other strategic performance information for each vote against its expected revenue and proposed expenditure by programme, main division and economic classifications; and
- (c) the relevant members of Cabinet must table updated strategic plans for each department, public entity or constitutional institution, which must be referred to the relevant committee for consideration and report.

[Sub-s. (1) substituted by [s. 9 \(a\)](#) of [Act No. 13 of 2018](#).]

Wording of Sections

(2) After the Appropriation Bill is passed by the National Assembly and referred to the National Council of Provinces, the Bill must be referred to the committee on appropriations of the National Council of Provinces.

[Sub-s. (2) substituted by [s. 9 \(a\)](#) of [Act No. 13 of 2018](#).]

Wording of Sections

(3) The committees on appropriations may not consider amendments to the Appropriation Bill prior to the passing of the Division of Revenue Bill.

(4) Any amendment to the Appropriation Bill must be consistent with the adopted fiscal framework and Division of Revenue Bill passed by Parliament.

(5) Another committee may advise a committee on appropriations that a sub-division of a main division within a vote be appropriated conditionally to ensure that the money requested for the main division will be spent effectively, efficiently and economically, provided that-

- (a) the committee must specify the conditions that need to be met before the committee on appropriations may recommend to the House that the funds be released;
- (b) the Minister and the affected member of Cabinet must be given at least two days to respond to the proposed conditional appropriation, which response must be included in the report containing the recommendation; and
- (c) . . .

- (d) the House must consider the recommendation of the committee on appropriations to release the funds within seven days after that committee reported to the House.

[Sub-s. (5) substituted by s. 9 (b) of Act No. 13 of 2018.]

Wording of Sections

- (6) Another committee may advise a committee on appropriations that an amount must be appropriated specifically and exclusively for a purpose mentioned under a main division within a vote.

[Sub-s. (6) substituted by s. 9 (c) of Act No. 13 of 2018.]

Wording of Sections

- (7) Parliament must pass, with or without amendments, or reject the Appropriation Bill within four months after the start of the financial year to which it relates.

- (8) The standing rules must provide for-

- (a) the committee on appropriations to hold public hearings on the Appropriation Bill and proposed amendments;
- (b) the committee on appropriations to report to the House on the comments on and amendments to the Appropriation Bill;
- (c) other committees to consult with the committee on appropriations in respect of proposed amendments to transfer payments, recurrent and capital expenditure of a vote, or a main division within a vote, taking into consideration any report adopted by the House;
- (d) other committees to consult with the committee on appropriations in respect of proposed conditional appropriations;
- (e) the committee on appropriations to mediate between committees proposing conflicting amendments to the Appropriation Bill; and
- (f) the committee on appropriations to recommend to the House that proposed amendments reported by other committees are rejected where those amendments are inconsistent with the fiscal framework, the adopted Division of Revenue Bill or not motivated adequately in terms of this section.

[Sub-s. (8) substituted by s. 9 (d) of Act No. 13 of 2018.]

Wording of Sections

- (9) The Minister and any other member of Cabinet affected by the proposed amendments must be given at least 10 days to respond to any amendments proposed to the Appropriation Bill by the committee on appropriations prior to reporting to the House.

[Sub-s. (9) substituted by s. 9 (d) of Act No. 13 of 2018.]

Wording of Sections

- (10) A report of the committee on appropriations to the House that proposes amendments to the main Appropriation Bill must, in respect of each amendment-

- (a) indicate the reason for such proposed amendment;
- (b) demonstrate how the amendment takes into account the broad strategic priorities and allocations of the relevant budget;
- (c) demonstrate the implications of each proposed amendment for an affected vote and the main divisions within that vote;
- (d) demonstrate the impact of any proposed amendment on the balance between transfer payments, capital and recurrent spending in an affected vote;
- (e) set out the impact of any proposed amendment on service delivery;
- (f) set out the manner in which the amendment relates to prevailing departmental strategic plans, reports of the Auditor General, committee reports adopted by a House, reports in terms of section 32 of the Public Finance Management Act, annual reports and any other information submitted to a House or committee in terms of the standing rules or on request; and
- (g) include the responses of the Minister or affected member of Cabinet to any proposed amendment.

[Sub-s. (10) substituted by s. 9 (d) of Act No. 13 of 2018.]

Wording of Sections

- (11)

[Sub-s. (11) deleted by s. 9 (e) of Act No. 13 of 2018.]

Wording of Sections

- 11. Passing revenue Bills.**-(1) Revenue Bills must be referred to the committee on finance of the National Assembly.

[Sub-s. (1) substituted by s. 10 (b) of Act No. 13 of 2018.]

Wording of Sections

(2) After the National Assembly passed a revenue Bill, the Bill must be referred to the National Council of Provinces, and referred to the committee on finance of the National Council of Provinces.

[Sub-s. (2) substituted by s. 10 (c) of Act No. 13 of 2018.]

Wording of Sections

(3) In amending revenue Bills and revenue proposals Parliament and its committees must-

- (a) ensure that the total amount of revenue raised is consistent with the approved fiscal framework and the Division of Revenue Bill;
- (b) take into account the principles of equity, efficiency, certainty and ease of collection;
- (c) consider the impact of the proposed change on the composition of tax revenue with reference to the balance between direct and indirect taxes;
- (d) consider regional and international tax trends; and
- (e) consider the impact on development, investment, employment and economic growth.

(4) The standing rules must provide for the committee on finance to-

- (a) hold public hearings on the revenue Bills;
- (b) consult with other committees; and
- (c) report to the House in terms of [subsection \(6\)](#).

[Sub-s. (4) substituted by s. 10 (d) of Act No. 13 of 2018.]

Wording of Sections

(5) The Minister must be given at least 14 days to respond to any proposed amendment.

(6) The report submitted to the House must-

- (a) motivate amendments in terms of [sections 8 \(5\)](#) and [11 \(3\)](#) of this Act; and
- (b) include comments from the Minister on any proposed amendments.

[S. 11 amended by s. 10 (a) of Act No. 13 of 2018.]

Wording of Sections

12. National adjustments budget.-(1) The Minister may table a national adjustments budget as envisaged in section 30 of the Public Finance Management Act.

(2) An adjustments appropriation Bill must be tabled with the national adjustments budget.

(3) The Minister must table a revised fiscal framework with the national adjustments budget if the adjustments budget effects changes to the fiscal framework.

(4) The Minister must table a Division of Revenue Amendment Bill with the revised fiscal framework if the adjustments budget effects changes to the Division of Revenue Act for the relevant year.

(5) If the Minister has tabled a revised fiscal framework, the revised framework must be referred to a joint sitting of the committees on finance for consideration.

(6) If the Minister tables a Division of Revenue Amendment Bill, the Bill must be referred to the committee on appropriations of the National Assembly after the adoption of the revised fiscal framework by Parliament.

(6A) After the National Assembly passed the Division of Revenue Amendment Bill, the Bill must be referred to the National Council of Provinces and referred to the committee on appropriations of the National Council of Provinces.

(7) The committees on finance must within 15 days after the tabling of the national adjustments budget or as soon as reasonably possible thereafter submit a report on the revised fiscal framework to the respective Houses, which report may be consolidated with the report referred to in [section 6 \(5\)](#).

(8) The report may propose amendments to the revised fiscal framework.

(9) If the report proposes amendments to the revised fiscal framework, the Minister must be given at least two days to respond to the report and proposed amendments prior to the submission of the respective reports to the Houses.

(10) The report of the committees must include the comments from the Minister.

(11) . . .

(12) The report of the committee on appropriations on the Division of Revenue Amendment Bill may propose amendments to the Division of Revenue Amendment Bill.

(13) If the report proposes amendments to the Division of Revenue Amendment Bill, the Minister must be given at least four days to respond to the proposed amendments prior to the submission of the report to the respective Houses.

(14) A report of the committees on appropriations must include the comments of the Minister.

(15) The Adjustment Appropriation Bill must be referred to the committee on appropriations of the National Assembly only after the revised fiscal framework is passed by Parliament.

(15A) After the National Assembly passed the Adjustment Appropriation Bill, the Bill must be referred to the National Council of Provinces and referred to the committee on appropriations of the National Council of Provinces.

(15B) The committee on appropriations may only report on the Adjustments Appropriation Bill after Parliament has passed the Division of Revenue Amendment Bill.

(16) The standing rules must provide for-

- (a) the committee on appropriations to report comments on and amendments to the Adjustments Appropriation Bill;
- (b) other committees to consult with the committee on appropriations on amendments to transfer payments, recurrent and capital expenditure of a vote or a main division within a vote, taking into consideration the reports referred to in [section 5 \(2\)](#) or any other report adopted by the House;
- (c) the committee on appropriations to mediate between committees proposing conflicting amendments to the Adjustments Appropriation Bill; and
- (d) the committee on appropriations to recommend to the House that proposed amendments by other committees are rejected where those amendments are inconsistent with the fiscal framework, the adopted Division of Revenue Bill or not motivated adequately in terms of this section.

(17) The Minister must be given at least four days to respond to any proposed amendments to the Adjustment Appropriation Bill by the committee on appropriations.

(18) The report of the committee on appropriations must-

- (a) comply with [section 10 \(10\)](#); and
- (b) include comments of the Minister to any proposed amendments.

(19) The committee on appropriations must report to the relevant House within 30 days after the tabling of the national adjustments budget or as soon as reasonably possible thereafter.

[S. 12 substituted by s. 11 of [Act No. 13 of 2018](#).]

Wording of Sections

13. Passing other money Bills.-(1) Any money Bill other than money Bills referred to in [sections 10, 11](#) and [12](#) must be referred to the respective committees on appropriations.

(2) The standing rules must provide that a committee on appropriations considering a money Bill in terms of this section, must-

- (a) conduct public hearings on the Bill; and
- (b) report on the Bill to the relevant House.

(3) If a committee on appropriations proposes amendments to a money Bill referred to in this section, the Minister must be given at least 14 days to respond to such proposed amendments before the committee reports to the House.

(4) The report of a committee on appropriations referred to in this section must indicate-

- (a) the manner in which the proposed amendments are consistent with the prevailing fiscal framework; and
- (b) the manner in which the proposed amendments comply with [section 8 \(5\)](#).

(5) The report of a committee on appropriations must include the comments of the Minister on any proposed amendments in terms of this section.

[S. 13 substituted by s. 12 of [Act No. 13 of 2018](#).]

Wording of Sections

14. Amendments proposed by the Minister.-Notwithstanding any provision in this Act, a House or committee may consider an amendment to a money Bill proposed by the Minister in order to make technical corrections to the Bill.

15. Parliamentary Budget Office.-(1) There is hereby established a Parliamentary Budget Office as a juristic person headed by a Director, the main objective of which is to provide independent, objective and professional advice and analysis to Parliament on matters related to the budget and other money Bills.

[Sub-s. (1) substituted by s. 13 (a) of Act No. 13 of 2018.]

Wording of Sections

(2) The core function of the Parliamentary Budget Office is to support the implementation of this Act by undertaking research and analysis for the committees referred to in [section 4](#), including-

- (a) annually providing reviews and analysis of the documentation tabled in Parliament by the Executive in terms of this Act;
- (b) providing advice and analysis on proposed amendments to the fiscal framework, the Division of Revenue Bill and money Bills and on policy proposals with budgetary implications;
- (c) monitoring and synthesising matters and reports tabled and adopted in a House with budgetary implications, with particular emphasis on reports by other committees;
- (d) keeping abreast of policy debates and developments in key expenditure and revenue areas;
- (e) monitoring and reporting on potential unfunded mandates arising out of legislative, policy or budgetary proposals; and
- (f) undertaking any other work deemed necessary by the Director to support the implementation of this Act.

(3) The Parliamentary Budget Office may undertake research on request by the Houses, other committees or members of Parliament on matters related to the budget and other money Bills, subject to capacity.

(4) There must be a cooperative relationship between the Parliamentary Budget Office and other research structures in Parliament.

(5) The respective Houses, on the recommendation of the committees contemplated in [section 4](#)-

- (a) must appoint a fit and proper person with the requisite experience, qualifications and leadership skills to manage the Parliamentary Budget Office with the functions as set out in [subsections \(2\) and \(3\)](#) as Director on a five-year fixed term contract;
- (b) must determine the conditions of service, including the salary and allowance of the Director, which must take into account the knowledge and experience of the person and substantially be the same as those of the top rank of the public service; and
- (c) may, based on performance, renew the contract referred to in [paragraph \(a\)](#) on substantially the same conditions of service as contemplated in [paragraph \(b\)](#).

[Sub-s. (5) substituted by s. 13 (b) of Act No. 13 of 2018.]

Wording of Sections

(6)

[Sub-s. (6) repealed by s. 13 (c) of Act No. 13 of 2018.]

Wording of Sections

(7) Any committee considering a recommendation contemplated in [subsection \(5\)](#) must do so in an open and transparent manner.

[Sub-s. (7) substituted by s. 13 (d) of Act No. 13 of 2018.]

Wording of Sections

(8) The Director may be removed from office only on-

- (a) the ground of misconduct, incapacity or incompetence;
- (b) a finding to that effect by a joint sitting of the committees on finance and appropriations of each House; and
- (c) the adoption by both Houses of a resolution calling for that person's removal.

(9) The Director must report to Parliament any inappropriate political or executive interference to prevent the office from providing independent, objective and professional advice on matters related to the budget and other money Bills.

[Sub-s. (9) substituted by s. 13 (e) of Act No. 13 of 2018.]

Wording of Sections

(10) The Parliamentary Budget Office must annually receive a transfer of funds from Parliament's budget in accordance with section 35 of the Financial Management of Parliament and Provincial Legislatures Act to carry out its duties and functions.

[Sub-s. (10) substituted by s. 13 (f) of Act No. 13 of 2018.]

Wording of Sections

(10A) (a) The Director is the Accounting Officer of the Parliamentary Budget Office and is responsible and accountable for the financial and human resource management of the office.

(b) The Director must-

- (i) exercise the utmost care to protect the assets and records of the Parliamentary Budget Office;
- (ii) act with fidelity, honesty, integrity and in the best interests of the Parliamentary Budget Office in managing the financial affairs of the Parliamentary Budget Office;
- (iii) seek, within the Director's sphere of influence, to prevent any prejudice to the financial interests of the Republic;
- (iv) ensure that the Parliamentary Budget Office has and maintains-
 - (aa) effective, efficient and transparent systems of financial and risk management;
 - (bb) an effective, efficient and transparent system of internal audit; and
 - (cc) a procurement and provisioning system that is fair, equitable, transparent, competitive and cost-effective;
- (v) take appropriate and cost-effective steps to-
 - (aa) collect revenue due to the Parliamentary Budget Office;
 - (bb) prevent losses resulting from criminal conduct and expenditure that is not in accordance with the Parliamentary Budget Office's operational policies; and
 - (cc) manage available working capital efficiently and economically;
- (vi) manage and safe-guard the assets of the Parliamentary Budget Office, and manage the revenue, expenditure and liabilities of the Parliamentary Budget Office;
- (vii) establish systems and processes to ensure that effective and appropriate disciplinary steps are taken against any staff member of the Parliamentary Budget Office who-
 - (aa) contravenes a law relevant to the performance of the Parliamentary Budget Office's functions; or
 - (bb) engages in conduct that undermines the financial management and internal control systems of the Parliamentary Budget Office; and
- (viii) generally ensure that the Parliamentary Budget Office complies with its legal obligations.

(c) The Director must-

- (i) ensure that full and proper records of the financial affairs of the Parliamentary Budget Office are kept and maintained;
- (ii) prepare financial accounts for the Parliamentary Budget Office for each financial year which will form part of the annual report of Parliament;
- (iii) annually submit to the Executive Authority for tabling in Parliament a rolling three-year budget in time for inclusion in Parliament's budget; and
- (iv) submit to the Executive Authority within five months after the end of each financial year, for tabling in Parliament, a report on the use of funds and the activities and performance of the Parliamentary Budget Office, including any matter that may be prescribed by regulation in terms of this Act.

[Sub-s. (10A) inserted by s. 13 (g) of Act No. 13 of 2018.]

(11)

[Sub-s. (11) repealed by s. 13 (h) of Act No. 13 of 2018.]

Wording of Sections

(12) The Director must appoint deputy directors and personnel with the requisite experience and qualifications as may be necessary to carry out the duties and functions of the Parliamentary Budget Office as specified in [subsections \(2\)](#) and [\(3\)](#).

(13) The Director, in consultation with the advisory board, must determine-

- (a) the structure of the Parliamentary Budget Office; and
- (b) the conditions of service of the deputy directors and personnel of the Parliamentary Budget Office, which must take cognisance of the conditions of service of officials in the Parliamentary Service.

[Sub-s. (13) amended by s. 13 (i) of Act No. 13 of 2018.]

Wording of Sections

(14) The Director may delegate authority to perform any function imposed by this section to a person appointed in terms of [subsection \(12\)](#).

(15) When the position of Director is vacant, or if the Director is unable to fulfil the duties and functions of that position, the advisory board must nominate a person in the employ of the Parliamentary Budget Office to act as Director until a Director is appointed in accordance with [subsection \(5\)](#).

[Sub-s. (15) substituted by s. 13 (j) of Act No. 13 of 2018.]

Wording of Sections

(16) In carrying out the duties and functions of the Parliamentary Budget Office, the Director may procure the services of experts or consultants or organisations by contract.

(17) The Parliamentary Budget Office may obtain information it requires for the performance of its functions from any organ of state or person the Parliamentary Budget Office considers appropriate.

[Sub-s. (17) added by s. 13 (k) of Act No. 13 of 2018.]

(18) Any information which the Parliamentary Budget Office requires for the performance of its functions and which is available to an organ of state or to any institution that derives any funds from the National Revenue Fund, a Provincial Revenue Fund or a municipality must, on request be supplied timeously and free of charge by that organ of state or institution to the Parliamentary Budget Office, unless they are prohibited by law from doing so.

[Sub-s. (18) added by s. 13 (k) of Act No. 13 of 2018.]

16. Norms and standards for provincial legislatures.-Provincial legislatures must take into account the norms and standards for amending money Bills set out in the Schedule.

[S. 16 substituted by s. 14 of Act No. 13 of 2018.]

Wording of Sections

16A. Regulations.-The Executive Authority may make regulations on a matter prescribed in terms of section 15 (10A) (c) (iv).

[S. 16A inserted by s. 15 of Act No. 13 of 2018.]

17. Short Title.-This Act is called the Money Bills and Related Matters Act, 2009.

[S. 17 substituted by s. 16 of Act No. 13 of 2018.]

Wording of Sections

SCHEDULE

NORMS AND STANDARDS FOR PROVINCIAL LEGISLATURES

[Sch. substituted by s. 17 of Act No. 13 of 2018.]

Legislation enacted by a provincial legislature to provide for a procedure to amend money Bills must take into account that the purpose of amending money Bills is to give effect to resolutions of the legislature on oversight, and must comply with the following principles-

- (a) A money Bill sent to the Premier for assent must be consistent with-
 - (i) the relevant fiscal framework adopted by Parliament; and
 - (ii) the relevant Division of Revenue Bill adopted by Parliament.
- (b) When considering an amendment a provincial legislature or any of its committees must-
 - (i) ensure that there is an appropriate balance between revenue, expenditure and borrowing;
 - (ii) ensure that debt levels and debt servicing charges are reasonable;
 - (iii) ensure that the cost of recurrent spending is not deferred to future generations;
 - (iv) ensure that there is adequate provision for spending on infrastructure;
 - (v) ensure that there is development, overall capital spending and maintenance;
 - (vi) consider the short, medium and long term implications of the fiscal framework, division of revenue and national budget on the long-term growth potential of the economy and the development of the country;
 - (vii) take into account cyclical factors that may impact on the prevailing fiscal position; and
 - (viii) take into account all public revenue and expenditure, including extra budgetary funds, and contingent liabilities.
- (c) In amending revenue Bills and revenue proposals a provincial legislature and its committees must-
 - (i) ensure that the total amount of revenue raised is consistent with the fiscal framework approved

- by Parliament and the relevant Division of Revenue Bill adopted by Parliament;
- (ii) take into account the principles of equity, efficiency, certainty and ease of collection;
 - (iii) consider the impact of the proposed change on the composition of tax revenue with reference to the balance between direct and indirect taxes;
 - (iv) consider regional and international tax trends; and
 - (v) consider the impact on development, investment, employment and economic growth.
- (d) The standing rules of the provincial legislature must provide for timeframes to introduce and consider money Bills, with or without amendments, with due regard to-
- (i) its constitutional obligation to facilitate public involvement in its legislative and other processes of the legislature and its committees; and
 - (ii) comments from the Member of the Executive Council who is responsible for financial matters in the province.
- (e) . . .
- (f) . . .
- (g) A provincial legislature may appropriate an amount specifically and exclusively for a purpose mentioned under a main division within a vote.
- (h) A provincial legislature must pass, with or without amendments, or reject the provincial annual budget within four months after the start of the financial year to which it relates.
- (i) Notwithstanding any provision in this legislation, a provincial legislature or a committee may consider an amendment to a money Bill proposed by the Member of the Executive Council who is responsible for financial matters in the province in order to make technical corrections to the Bill.

Wording of Sections

MATTERS ACT NO. 9 OF 2009

(Prior to amendment by Act No. 13 of 2018)

Long Title

To provide for a procedure to amend money Bills before Parliament and for norms and standards for amending money Bills before provincial legislatures and related matters.

Section 1, definition-"Adjustments Appropriation Bill"

"Adjustments Appropriation Bill" means the bill that provides for the adjustments to appropriation necessary to give effect to the national adjustments budget referred to in section 30 of the Public Finance Management Act;

Section 1, definition-"committee"

"committee" means a committee, subcommittee or joint committee consisting of members and established in terms of the standing rules or legislation;

Section 1, definition-"Division of Revenue Bill"

"Division of Revenue Bill" means the Bill which must be enacted annually in terms of section 10 of the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997) pursuant to section 214 (1) of the Constitution;

Section 1, definition-"fiscal framework"

"fiscal framework" means the framework for a specific financial year that gives effect to the national

executive's macro-economic policy and includes-

- (a) estimates of all revenue, budgetary and extra-budgetary specified separately, expected to be raised during that financial year;
- (b) estimates of all expenditure, budgetary and extra-budgetary specified separately, for that financial year;
- (c) estimates of borrowing for that financial year;
- (d) estimates of interest and debt servicing charges; and
- (e) an indication of the contingency reserve necessary for an appropriate response to emergencies or other temporary needs, and other factors based on similar objective criteria;

Section 1, definition-"Parliament"

"Parliament" means the National Assembly and the National Council of Provinces as envisaged in section 42 of the Constitution;

Section 1, definition-"Public Finance Management Act"

"Public Finance Management Act" means the Public Finance Management Act, 1999 (Act 1 of 1999);

Section 1, definition-"Secretary"

"Secretary" means the Secretary to Parliament;

Section 3

3. Application of this Act.-This Act applies to all proposed amendments to money Bills before Parliament.

Section 4 (2)

(2) A committee on finance has the powers and functions conferred to it by the Constitution, legislation, the standing rules or a resolution of a House, including considering and reporting on-

- (a) the national macro-economic and fiscal policy;
- (b) amendments to the fiscal framework, revised fiscal framework and revenue proposals and Bills;
- (c) actual revenue published by the National Treasury; and
- (d) any other related matter set out in this Act.

Section 4 (4)

(4) A committee on appropriations has the powers and functions conferred to it by the Constitution, legislation, the standing rules or a resolution of a House, including considering and reporting on-

- (a) spending issues;
- (b) amendments to the Division of Revenue Bill, the Appropriation Bill, Supplementary Appropriations Bills and the Adjustment Appropriations Bill;
- (c) recommendations of the Financial and Fiscal Commission, including those referred to in the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997);
- (d) reports on actual expenditure published by the National Treasury; and
- (e) any other related matter set out in this Act.

Section 5, heading

5. Procedure prior to introduction of the national budget

Section 5 (1)

(1) The National Assembly, through its committees, must annually assess the performance of each national department, with reference to the following:

- (a) The medium term estimates of expenditure of each national department, its strategic priorities and measurable objectives, as tabled in the National Assembly with the national budget;
- (b) prevailing strategic plans;
- (c) the expenditure report relating to such department published by the National Treasury in terms of section 32 of the Public Finance Management Act;
- (d) the financial statements and annual report of such department;
- (e) the reports of the Committee on Public Accounts relating to a department; and
- (f) any other information requested by or presented to a House or Parliament.

Section 5 (3) (b)

- (b) must provide an assessment on the effectiveness and efficiency of the departments use and forward allocation of available resources; and

Section 5 (4)

(4) A committee reporting to the National Assembly in terms of this section must submit its budgetary and recommendation report after the adoption of the Appropriation Bill and prior to the adoption of the reports on the Medium Term Budget Policy Statement.

Section 5 (6)

- (6) Additional budgetary and recommendation reports may be submitted at the discretion of a committee.

Section 6 (2)

(2) The medium term budget policy statement must include-

- (a) a revised fiscal framework for the present financial year and the proposed fiscal framework for the next three years;
- (b) an explanation of the macro-economic and fiscal policy position, the macro-economic projections and the assumptions underpinning the fiscal framework;
- (c) the spending priorities of national government for the next three years;
- (d) the proposed division of revenue between the spheres of government and between arms of government within a sphere for the next three years;
- (e) the proposed substantial adjustments to conditional grant allocations to provinces and local governments, if any; and
- (f) a review of actual spending by each national department and each provincial government between 1 April and 30 September of the current fiscal year.

Section 6 (3)

- (3) A House must refer matters referred to in subsections (2) (a) and (b) to its committee on finance.

Section 6 (5)

(5) Each committee on finance must 30 days after the tabling of the Medium Term Budget Policy Statement report to the National Assembly or the National Council of Provinces, as the case may be, on the proposed fiscal framework for the next three financial years.

Section 6 (6)

(6) The report may include recommendations to amend the fiscal framework should it remain materially unchanged when submitted with the national budget.

Section 6 (7)

(7) A report referred to in (5) must be submitted to the Minister within 7 days after its adoption by a House.

Section 6 (8)

(8) A House must refer matters concerning subsection (2) (c), (d) and (e) to its committee on appropriations.

Section 6 (10)

(10) Each committee on appropriations must 30 days after the tabling of the Medium Term Budget Policy Statement submit a report to the National Assembly or the National Council of Provinces, as the case may be, on the proposed division of revenue and the conditional grant allocations to provinces and local governments.

Section 6 (11)

(11) A report referred to in subsection (10) may include a recommendation to amend the division of revenue should it remain materially unchanged in the Division of Revenue Bill.

Section 6 (12)

(12) A report referred to in subsection (10) must be submitted to the Minister within 7 days after its adoption by a House.

Section 7

7. Introduction of the Division of Revenue Bill, the national budget and the Appropriation Bill.-(1) The Minister must table the national annual budget in the National Assembly as set out in section 27 of the Public Finance Management Act, at the same time as the Appropriation Bill.

(2) In addition to the information stipulated in section 27 of the Public Finance Management Act, the documentation tabled by the Minister with the national annual budget must include-

- (a) the proposed fiscal framework for the financial year and subsequent two years;
- (b) the key macro-economic assumptions underlying the fiscal framework over the short, medium and long term;
- (c) key fiscal ratios for the financial year and subsequent two years, including revenue, expenditure, the primary and overall balance and outstanding general government and public sector debt at the end of the financial year as a percentage of gross domestic product;
- (d) tax and other revenue proposals, including the contribution of the different revenue categories to national revenue for the financial year and subsequent two years;
- (e) cyclical factors taken into account in the formulation of the fiscal framework for the financial year and subsequent two years;
- (f) an estimate of aggregate general government and public sector debt levels in the short, medium and long term;
- (g) an estimate and breakdown of contingent liabilities for the financial year and subsequent two years; and

(h) any other information requested by a House from time to time.

(3) The Division of Revenue Bill must be introduced at the same time as the Bills referred to in [subsection \(1\)](#).

(4) The Minister must submit a report to the Houses at the same time as tabling the Bills referred to in [subsections \(1\)](#) and [\(3\)](#), explaining how the Division of Revenue Bill and the national budget give effect to, or the reasons for not taking into account, the recommendations contained in the reports referred to in [sections 5 \(2\)](#), [6 \(7\)](#) and [6 \(12\)](#).

Section 8, heading

8. Adopting the fiscal framework and revenue proposals

Section 8 (1)

(1) The National Assembly and the National Council of Provinces must refer the fiscal framework and revenue proposals to their respective committee on finance.

Section 8 (2)

(2) The committees must conduct joint public hearings on the fiscal framework and revenue proposals.

Section 8 (3)

(3) The committees must within 16 days after the tabling of the national budget submit a report to the National Assembly and the National Council of Provinces, as the case requires, on the fiscal framework and revenue proposals.

Section 8 (4)

(4) The report must include a clear statement accepting or amending the fiscal framework and revenue proposals.

Section 8 (5) (b)

(b) ensure that debt levels and debt interest cost are reasonable;

Section 8 (7)

(7) The Houses must consider the reports referred to in [subsection \(6\)](#) for adoption by resolution within 16 days after the tabling of the national budget.

Section 9 (2)

(2) After the Bill is referred to the National Council of Provinces, the Bill must be referred to the committee on appropriations of the Council for consideration and report.

Section 9 (3)

(3) The Division of Revenue Bill must be passed no later than 35 days after the adoption of the fiscal framework by Parliament.

Section 9 (5)

(5) The standing rules must provide for-

- (a) the participation of chairpersons of other committees;
- (b) public hearings by the committees on appropriations;
- (c) any member of Cabinet affected by the proposed amendments to respond to the proposed amendments affecting conditional grant allocations;
- (d) provinces and local governments affected by the proposed amendments to respond to the proposed amendments; and
- (e) the committee on appropriations of each House to prepare a report on the Division of Revenue Bill in accordance with subsection (6).

Section 9 (6)

- (6) The report of the respective committees on appropriations must, at least:
- (a) indicate whether the effects of the proposed amendments on the total national, provincial and local government equitable and conditional grant allocations in terms of the Bill are consistent with the adopted fiscal framework;
 - (b) motivate the amendments in terms of service delivery improvements; and
 - (c) demonstrate that the impact of amendments has been taken into account in respect of the service delivery obligations of all affected departments, provinces, and local governments.

Section 9 (7)

- (7) The committees on appropriations must-
- (a) consult with the Financial and Fiscal Commission; and
 - (b) allow the Minister the opportunity to respond to any amendments proposed at least 3 days prior to the submission of the report to the relevant House.

Section 9 (8)

(8) The report submitted by the committees on appropriations to the respective Houses must be accompanied by any response of the Minister to any proposed amendments.

Section 10 (1)

- (1) After the adoption of the fiscal framework:
- (a) the Appropriation Bill must be referred to the Committee on Appropriations of the National Assembly;
 - (b) the Minister must table the proposals setting out the strategic priorities, measurable objectives and other performance information for each department, public entity or institution against its expected revenue and proposed expenditure by programme, sub-programme and economic items of expenditure; and
 - (c) the relevant members of Cabinet must table updated strategic plans for each department, public entity or institution, which must be referred to the relevant committee for consideration and report.

Section 10 (2)

(2) After the Appropriation Bill has been referred to the National Council of Provinces, the Bill must be referred to the Committee on Appropriations of the Council.

Section 10 (5)

(5) Another committee may advise a Committee on Appropriations that a sub-division of a main division within a vote be appropriated conditionally to ensure that the money requested for the main division will be spent effectively, efficiently and economically, provided that-

- (a) the committee must specify the conditions that need to be met before the Committee on

Appropriations may recommend to the House that the funds be released;

- (b) the Minister or the affected member of Cabinet must be given 2 days to respond to the proposed conditional appropriation;
- (c) a recommendation to the House that a sub-division of a main division within a vote is appropriated conditionally must be accompanied by the response from the Minister and the affected member of Cabinet, as the case requires; and
- (d) the House must consider the recommendation of the Committee on Appropriations to release the funds within 7 days after that committee reported to the House.

Section 10 (6)

(6) Another committee may advise a Committee on Appropriations that an amount must be appropriated specifically and exclusively for a purpose mentioned under a main division within a vote.

Section 10 (8)

(8) The standing rules must provide for-

- (a) the Committee on Appropriations to hold public hearings on the Appropriation Bill and proposed amendments;
- (b) the Committee on Appropriations to report to the House on the comments on and amendments to the Appropriation Bill;
- (c) other committees to consult with the Committee on Appropriations in respect of proposed amendments to transfer payments, recurrent and capital expenditure of a vote, or a main division within a vote, taking into consideration any report adopted by the House;
- (d) other committees to consult with the Committee on Appropriations in respect of proposed conditional appropriations;
- (e) the Committee on Appropriations to mediate between committees proposing conflicting amendments to the Appropriation Bill; and
- (f) the Committee on Appropriations to recommend to the House that proposed amendments reported by other committees are rejected where those amendments are inconsistent with the fiscal framework, the adopted Division of Revenue Bill or not motivated adequately in terms of this section.

Section 10 (9)

(9) The Minister and any other member of Cabinet affected by the proposed amendments must be given at least 10 days to respond to any amendments proposed to the Appropriation Bill by the Committee on Appropriations prior to reporting to the House.

Section 10 (10)

(10) A report of the Committee on Appropriations to the House that proposes amendments to the main Appropriation Bill must, in respect of each amendment-

- (a) indicate the reason for such proposed amendment;
- (b) demonstrate how the amendment takes into account the broad strategic priorities and allocations of the relevant budget;
- (c) demonstrate the implications of each proposed amendment for an affected vote and the main divisions within that vote;
- (d) demonstrate the impact of any proposed amendment on the balance between transfer payments, capital and recurrent spending in an affected vote;
- (e) set out the impact of any proposed amendment on service delivery; and
- (f) set out the manner in which the amendment relates to prevailing departmental strategic plans, reports of the Auditor General, committee reports adopted by a House, reports in terms of section 32 of the Public Finance Management Act, annual reports and any other information submitted to a House or committee in terms of the standing rules or on request.

Section 10 (11)

(11) A report in terms of subsection (8) must include the responses of the Minister or member of Cabinet to any proposed amendments.

Section 11, heading

11. Passing the revenue Bills

Section 11 (1)

(1) Revenue Bills must be referred to the Committee on Finance of the National Assembly for consideration and report.

Section 11 (2)

(2) After the National Assembly passed a revenue Bill, it must be referred to the National Council of Provinces.

Section 11 (4)

(4) The standing rules must provide for-

- (a) the Committee on Finance to hold public hearings on the revenue Bills;
- (b) the Committee on Finance to consult with other committees; and
- (c) the Committee on Finance to report to the House in terms of subsection (7).

Section 12

12. National adjustments budget.-(1) The Minister must table a national adjustments budget as envisaged in section 30 of the Public Finance Management Act.

(2) An adjustments appropriation Bill must be tabled with a national adjustments budget.

(3) The Minister must table a revised fiscal framework with the national adjustments budget if the adjustments budget effects changes to the fiscal framework.

(4) The Minister must table a division of revenue amendment Bill with the revised fiscal framework if the adjustments budget effects changes to the Division of Revenue Act for the relevant year.

(5) If the Minister has tabled a revised fiscal framework, the revised framework must be referred to a joint sitting of the committees on finance for consideration.

(6) If the Minister tables a division of revenue amendment Bill, the Bill must be referred to a joint sitting of the committees on appropriations after the adoption of the revised fiscal framework by the House in terms of this section.

(7) The committees on finance must 9 days after the tabling of the national adjustments budget submit a report on the revised fiscal framework to the respective Houses for consideration and adoption.

(8) The report may propose amendments to the revised fiscal framework.

(9) If the report proposes amendments to the revised fiscal framework the Minister must be given at least 2 days to respond to the report and proposed amendments prior to the submission of the respective reports to the Houses.

(10) The report of the committees must include the comments from the Minister.

(11) The committees on appropriations must 9 days after the adoption of the fiscal framework report to the respective Houses on the Division of Revenue Amendment Bill.

(12) The report may propose amendments to the Division of Revenue Amendment Bill.

(13) If the report proposes amendments to the Division of Revenue Amendment Bill, the Minister must be given at least 4 days to respond to the report and proposed amendments prior to the submission of the report to the Houses.

(14) The report of the committees on appropriations must include the comments of the Minister.

(15) In the event of a revised fiscal framework, an adjustment appropriation Bill must be referred to the Committee on Appropriations of the National Assembly only after the Division of Revenue Amendment Bill is passed by Parliament.

(16) The standing rules must provide for-

- (a) the Committee on Appropriations to report comments on and amendments to the Adjustments Appropriation Bill;
- (b) other committees to consult with the Committee on Appropriations on amendments to transfer payments, recurrent and capital expenditure of a vote or a main division within a vote, taking into consideration the reports referred to in [section 5 \(2\)](#) or any other report adopted by the House; and
- (c) the Committee on Appropriations to mediate between committees proposing conflicting amendments to the Adjustment Appropriation Bill; and
- (d) the Committee on Appropriations to recommend to the House that proposed amendments by other committees are rejected where those amendments are inconsistent with the fiscal framework, the adopted Division of Revenue Bill or not motivated adequately in terms of this section.

(17) The Minister must be given at least 4 days to respond to any proposed amendments to the Adjustment Appropriation Bill by the Committee on Appropriations.

(18) The report of the Committees on Appropriations must-

- (a) comply with [section 10 \(10\)](#); and
- (b) include comments of the Minister to any proposed amendments.

(19) The Committee on Appropriations must report to the relevant House within 30 days after the tabling of the national adjustments budget.

Section 13

13. Passing other Money Bills.-(1) Any money Bill other than money Bills referred to in [sections 10, 11](#) and [12](#) must be referred to the respective committees on appropriations.

(2) The standing rules must provide that a Committee on Appropriations considering a money Bill in terms of this section, must-

- (a) conduct public hearings on the Bill; and
- (b) report on the Bill to the relevant House.

(3) If a Committee on Appropriations propose amendments to a money Bill referred to in this section, the Minister must be given at least 14 days to respond to such proposed amendments before the committee reports to the House.

(4) The report of a Committee on Appropriations referred to in this section must indicate-

- (a) the manner in which the proposed amendments are consistent with the prevailing fiscal framework; and
- (b) the manner in which the proposed amendments comply with [section 8 \(5\)](#) of this Act.

(5) The report of a Committee on Appropriations must include the comments of the Minister to any proposed amendments in terms of this section.

Section 15 (1)

(1) There is hereby established a Parliamentary Budget Office headed by a Director, the main objective of which is to provide independent, objective and professional advice and analysis to Parliament on matters related to the budget and other money Bills.

Section 15 (5)

(5) The committees contemplated in [section 4](#) must recommend to the respective Houses-

- (a) a person with the requisite experience, qualifications and leadership skills to manage the Parliamentary Budget Office with the functions as set out in [sections 15 \(2\)](#) and [15 \(3\)](#) for appointment as Director by resolution of both Houses; and
- (b) the conditions of service, including the salary and allowance of the Director, which must take into account the knowledge and experience of the person and substantially be the same as those of the top rank of the public service.

Section 15 (6)

(6) Pending the establishment of the committees referred to in section 4, an *ad hoc* joint committee established by resolution of both Houses and composed in a manner consistent with democracy of an equal number of members from both Houses must fulfil the functions contemplated in subsection (5).

Section 15 (7)

(7) Any committee considering making a recommendation contemplated in subsection (5) must do so in an open and transparent manner.

Section 15 (9)

(9) The Director shall be obliged to report to Parliament any inappropriate political or executive interference to prevent the office from providing independent, objective and professional advice on matters related to the budget and other money Bills.

Section 15 (10)

(10) The Parliamentary Budget Office must annually receive a transfer of funds from Parliament's budget to carry out its duties and functions.

Section 15 (11)

(11) The Director must annually submit to Parliament a rolling three year budget in time for inclusion in Parliament's budget and a report on the use of funds and the activities of the Parliamentary Budget Office.

Section 15 (13), the words preceding paragraph (a)

(13) The Director, in consultation with the committees referred to in section 4 must determine-

Section 15 (15)

(15) When the position of Director is vacant, or if the Director is unable to fulfil the duties and functions of that position, the committees referred to in section 4 must nominate a person in the employ of the Parliamentary Budget Office to act as Director until a Director is appointed in accordance with subsection (5).

Section 16

16. Norms and standards for provincial legislatures.-Provincial legislatures must adhere to the norms and standards for amending money Bills set out in the Schedule.

Section 17

17. Short Title.-This Act is called the Money Bills Amendment Procedure and Related Matters Act, 2008.

Schedule

SCHEDULE

NORMS AND STANDARDS FOR PROVINCIAL LEGISLATURES

Legislation enacted by a provincial legislature to provide for a procedure to amend money Bills must provide that the purpose of amending money Bills is to give effect to resolutions of the legislature on oversight, and must comply

with the following principles:

- (a) A money Bill sent to the Premier for assent must be consistent with:
 - (i) the relevant fiscal framework adopted by Parliament; and
 - (ii) the relevant Division of Revenue Bill adopted by Parliament.
- (b) When considering an amendment a provincial legislature or any of its committees must:
 - (i) ensure that there is an appropriate balance between revenue, expenditure and borrowing;
 - (ii) ensure that debt levels and debt interest cost are reasonable;
 - (iii) ensure that the cost of recurrent spending is not deferred to future generations;
 - (iv) ensure that there is adequate provision for spending on infrastructure
 - (v) ensure that there is development, overall capital spending and maintenance;
 - (vi) consider the short, medium and long term implications of the fiscal framework, division of revenue and national budget on the long-term growth potential of the economy and the development of the country;
 - (vii) take into account cyclical factors that may impact on the prevailing fiscal position; and
 - (viii) take into account all public revenue and expenditure, including extra budgetary funds, and contingent liabilities.
- (c) In amending revenue Bills and revenue proposals a provincial legislature and its committees must:
 - (i) ensure that the total amount of revenue raised is consistent with the fiscal framework approved by Parliament and the relevant Division of Revenue Bill adopted by Parliament;
 - (ii) take into account the principles of equity, efficiency, certainty and ease of collection;
 - (iii) consider the impact of the proposed change on the composition of tax revenue with reference to the balance between direct and indirect taxes;
 - (iv) consider regional and international tax trends; and
 - (v) consider the impact on development, investment, employment and economic growth.
- (d) The standing rules of the provincial legislature must provide for timeframes to introduce and consider money Bills, with or without amendments, with due regard to:
 - (i) its constitutional obligation to facilitate public involvement in its legislative and other processes of the legislature and its committees; and
 - (ii) comments from the Member of the Executive Council who is responsible for financial matters in the province.
- (e) The report of a committee of the provincial legislature that proposes amendments to the provincial annual budget must, in respect of each amendment:
 - (i) indicate the reason for such proposed amendment;
 - (ii) demonstrate how the amendment takes into account the broad strategic priorities and allocations of the relevant budget;
 - (iii) demonstrate the implications of each proposed amendment for an affected vote and the main divisions within that vote;
 - (iv) demonstrate the impact of any proposed amendment on the balance between transfer payments, capital and recurrent spending in an affected vote;
 - (v) set out the impact of any proposed amendment on service delivery;
 - (vi) set out the manner in which the amendment relates to prevailing departmental strategic plans, reports of the Auditor General, committee reports adopted by the provincial legislature, reports in terms of **section 32 (2)** of the Public Finance Management Act, annual reports and any other information submitted to the provincial legislature or committee in terms of the standing rules or on request; and
 - (vii) include any responses from the member of the Executive Council who is responsible for financial matters in the province or any other member of the Executive Council.
- (f) The report of a committee of the provincial legislature that proposes a conditional appropriation of a sub-division of a main division within a vote to ensure that the money requested for the main division will be spent effectively, efficiently and economically must:
 - (i) consider comments from the Member of the Executive Council who is responsible for financial matters in the province or any other Member of the Executive Council; and

- (ii) specify the conditions that need to be met before the provincial legislature may resolve to release the funds.
- (g) A provincial legislature may appropriate an amount specifically and exclusively for a purpose mentioned under a main division within a vote.
- (h) A provincial legislature must pass, with or without amendments, or reject the provincial annual budget within four months after the start of the financial year to which it relates.
- (i) Notwithstanding any provision in this legislation, a provincial legislature or a committee may consider an amendment to a money Bill proposed by the Member of the Executive Council who is responsible for financial matters in the province in order to make technical corrections to the Bill.