**Media Statement**

**Finance Committees Briefed on Digital Economy and Taxation Policy**

**Parliament, Tuesday, 9 June 2020 –**The Standing Committee on Finance together with the Select Committee on Finance were briefed by the Parliamentary Budget Office on the digital economy and taxation policy. The committees called on the National Treasury and the South African Revenue Services (Sars) to develop clear legislative and policy frameworks on maximising revenue collection from the digital economy.

The committees held a view that South Africa’s revenue collection may be negatively affected if digital business activities are not taxed. They believe that revenue from the digital economy could augment South Africa’s shrinking revenue base, which is smaller because of the fourth industrial revolution and the impact of the Covid-19 pandemic.

The committees will hold a follow-up joint meeting with the Portfolio Committee on Trade and Industry to discuss further the digital economy and taxation policy, and pave a way forward.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE STANDING COMMITTEE ON FINANCE, MR JOE MASWANGANYI, AND CHAIRPERSON OF THE SELECT COMMITTEE ON FINANCE, MR YUNUS CARRIM.**