



Presentation to the Standing Committee on Finance and
the Select Committee on Finance – 2 March 2022

YOUR KEY TO THE TAX COMMUNITY

Overview

- Appreciate that NT is continuing to show restraint.
- PIT rate relief supported
- Corporate tax rate: Does it need to match? Do we go any further?
- Excise taxes: Appreciate the stability.
- Sin taxes: Not as inelastic as supposed.

Incentives

- Support well-designed business incentives.
- 12I (concerned about loss of interest in depreciation since depreciation incentives are well targeted). (*A review of depreciation and investment allowances will take place during 2022/23, followed by the release of a discussion document.*)
- Appreciate engagement and research, e.g, R&D incentive, Energy Efficiency (should be linked to Carbon rather than Income Tax), etc.
- Savings 'incentives' for individuals only mitigate anti-selection and are really deferral mechanisms. Not a classic incentive,

Tax research and reviews

- A discussion document will be published in 2022 on a personal income tax regime for remote work.
- Government will review the approach to adjusting thresholds for inflation: Welcome policy certainty.
- Review of provisional tax system to align it with changing circumstance and international development.
- Two-pot retirement system will go for public consultation.
- Progress with the review of the diesel refund administration: Looking forward to viewing the proposed reforms in legislation.

Tax administration

- Value continuous engagement with SARS.
- Note the inroads made into the largely non-compliant.
- Taxpayer rights? Tax Ombud draft Compendium
- Reverse charge on VAT: Are we getting the real culprits?



Thank you