



PORTFOLIO COMMITTEE ON PUBLIC ACCOUNTS & FINANCE

NEGOTIATING MANDATE

To: Chairperson of the Select Committee on Appropriations

Name of Bill: Division of Revenue Bill

Number of Bill: B4-2024

Date of Deliberation: 17 April 2024

VOTE OF THE LEGISLATURE:

The Portfolio Committee on Public Accounts and Finance as designated by the Free State Legislature votes in favour of the Bill taking the following into consideration:

- (a) That regarding the **Division of Revenue Bill**, it's crucial to consider the unique economic dynamics of the Free State province, due to the Province being centrally situated and being surrounded by six provinces, national must take that into cognizance when budget allocations are done.
- (b) The Free State government has a huge spending on companies outside the province, which negatively affects the Free State, therefore special consideration should be made in the calculation process. It can be remedied by adjusting allocations to account for the impact of such spending and ensuring that the contributions of SARS income from the Free State procurement, which is recognised in the original province of the company, is considered for the Free State Province's GDP, and properly reflected. By taking these factors into account, a more equitable distribution of revenue can be achieved, better reflecting the economic realities of the Free State.
- (c) **On electric vehicles charging infrastructure** - To enhance revenue and promote sustainable transportation infrastructure, it would be beneficial to consider offering incentives or special grants for the development of electric vehicle (EV) charging stations within municipalities.

By providing financial support or tax incentives for businesses or municipalities to install and operate EV charging stations, the government can encourage the adoption of electric vehicles and support the growth of related industries in the province.

Additionally, these incentives could be tied to specific policy objectives, such as government control of the infrastructure. For example, grants could be contingent on the stations being fully owned by the government. This approach would not only expand the EV charging infrastructure but also ensure that it aligns with broader policy goals related to sustainability, accessibility, and infrastructure management.

- (d) That National Treasury should look into assisting municipalities who are unable to implement or complete projects, instead of the money being forfeited, national treasury take over and complete the project on the municipality's behalf so that communities are not disadvantaged.
- (e) That national treasury should look into easing the stringent conditions that applies to non-adherence of the payment agreement plans entered into with Eskom to avoid forfeiture of licenses.

The Portfolio Committee votes **in favour** of the Bill.



HON VW TSHABALALA
CHAIRPERSON OF PORTFOLIO COMMITTEE ON PUBLIC ACCOUNTS & FINANCE
FREE STATE LEGISLATURE
17 April 2024