**National Assembly**

**Question No: 2567**

**Mr C H H Hunsinger (DA) to ask the Minister of Transport:**

Noting that once a taxi is scrapped and the Government has paid out R124 000 to the owner, which in essence is money derived from tax contributions in the hands of the National Treasury, (a) what happens to the vehicle that has been written-off, (b) are such vehicles re-sold, sold for parts and/or scrap-metal and (c) is this income returned to the National Treasury? NW3042E

**REPLY**

1. Vehicles processed under the Taxi Recapitalisation Programme (TRP) and Revised Taxi Recapitalisation Programme (RTRP) are surrendered by the owner/applicant to the appointed service provider.
2. Old Taxi Vehicles (OTVs - minibus taxi vehicles older than 4 September 2006) processed for scrapping are physically compacted and the bales of scrap metal are sold.

The panel vans that were unlawfully converted to operate as taxis, are scrapped through the Revised Taxi Recapitalisation Program following the remedial action by the Public Protector. However, because they are not defined as OTVs, only spare parts that are not safety critical components, are salvaged and sold. The chassis, body and remaining parts are physically compacted and the bales of scrap metal sold.

1. The revenue generated from the sale of the scrap metals bales and spare parts is ring fenced and accounted for by the appointed service provider for the benefit of the minibus taxi industry. Therefore, no income is returned to National Treasury.