

DJMC/lm

31 July 2008

Mr B Viljoen  
Parliament

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Dear Mr Viljoen

## DRAFT MONEY BILL AMENDMENT PROCEDURE AND RELATED MATTERS BILL

I refer to the request for comments in relation to the above proposed legislation.

While it is difficult for my firm to evaluate the parliamentary procedural aspects which have lead to the introduction of the proposal we wish to express our concern that delays in the passing of certain Taxation Laws Amendment and Revenue Laws Amendment Bills may significantly affect the ability of SARS and of private sector tax advisors to assist taxpayers in timeously ascertaining the proper amount of tax that they are required to pay, in terms of the various taxation laws of the Republic.

At present, the process of consultation which precedes the tabling of Taxation Laws and Revenue Laws Amendments legislation can proceed over a period of months, during which time drafts of the proposed bill are debated at committee stage with evidence and representations being provided by National Treasury, SARS and the private sector. As a general statement, the resulting legislation is extremely complex and requires detailed analysis (notwithstanding the explanatory debates which have preceded the tabling of the bill) in order to ensure that the implications for taxpayers are properly understood and that SARS officials and private sector advisors are properly prepared to administer and advise upon the changed law when it comes into force. At present, because a money bill may not be amended after it has been tabled and the great likelihood is that it will be passed and eventually promulgated as tabled, it is possible for SARS and the private sector to commence this process of analysis and preparation from the time

of tabling. If such Bills can be further amended prior to their being passed by parliament, that process will be delayed since it is counterproductive to spend the considerable time required on analysis, and then to discover that a revised version of a particular clause has been introduced and must again be analysed and its impact prepared for.

We therefore suggest that in the case of those money bills - such as the Revenue Laws and Taxation Laws Amendment Bills referred to - the period of four months contained in the draft legislation, by which a bill must needs be passed, should be reduced if parliamentary committee debates have previously been held. We are unfortunately not in a position to recommend the wording for such a provision but would be happy to provide further input on request.

Yours faithfully

A handwritten signature in black ink, appearing to be 'DJM CLEGG', written over a horizontal line.

**DJM CLEGG**  
Consultant

Cc Maeve Kolitz  
Martin Walbeck  
Sean Kruger  
(Ernst & Young Advisory Services Ltd - Johannesburg)