



**2009  
Tax Statistics**  
A joint publication between National Treasury and the South African Revenue Service

**Presentation  
to SCOF**

**2009  
Tax Statistics**

 national treasury  
Department  
National Treasury  
REPUBLIC OF SOUTH AFRICA

 SARS  
At Your Service  
[www.sars.gov.za](http://www.sars.gov.za)

4 August 2010

## Overview of presentation

- Tax statistics in South Africa
- Feedback / comments on the 2008 Tax Statistics
- 2009 Tax Statistics
- Changes from 2008 Tax Statistics
- Chapters:
  - Chapter 1: Overview of revenue collections
  - Chapter 2: Personal income tax (PIT)
  - Chapter 3: Corporate income tax (CIT)
  - Chapter 4: Value-added tax (VAT)
  - Chapter 5: Customs/import duties
- Future developments
- Comments, queries or suggestions (website, email address)

## Tax Statistics in South Africa

- The Tax Statistics publication was conceived with the following objectives in mind:
  - to make selected information available as required by the Promotion for Access to Information Act, 2000 and for the general information of parties interested in the profile of the South African taxpaying public.
  - to provide tables of statistics that will assist economists and research professionals in the preparation and analysis of economic estimates as well as impact analyses insofar as tax revenue is a function of economic activity.
  - to provide information that would be of use to those who require detailed taxpayer data per tax type.
  - to provide the private sector with data to inform commercial decisions such as the selection of market segments as focus of marketing efforts.
  - to inform relevant role-players and stakeholders with information that will enhance policy decisions for the well being of the public.
- 1<sup>st</sup> edition – 2008 Tax Statistics released on 5 December 2008.

## Feedback / comments on the 2008 Tax Statistics

- Feedback/comments on the 2008 Tax Statistics were very positive and covered a broad range of requests for additional data and information. Below are some comments/newspaper articles:
  - "...the initiative was a welcome publication for tax practitioners. There had long been a call for such information....The statistics will also give the government a better feel of where the revenue is coming from. It will help the government with their projections and budgeting, particularly in difficult economic times such as these..." – Sanchia Temkin (Business Day)
  - "...Tax statistics can tell us much about economic trends. And a new publication from the South African Revenue Service (SARS) and the National Treasury pulls all the data together for the first time to provide intriguing insights... The next few editions of the new yearbook could make interesting reading..." – Hilary Joffe (Business Day)
  - "SARS' powerful weapon. ....After a brief review of these statistics and taking account of statements of the Minister of Finance in this year's Budget Speech and of recently promulgated legislation, it is clear that these statistics have been found useful in assisting the lawmakers to amend the legislation. Two examples will demonstrate how the statistics have contributed to SARS' ability to adapt." – MoneyWeb Tax

## 2009 Tax Statistics

- The 2<sup>nd</sup> edition of the Tax Statistics was released on 18 March 2010.
- The *objective* that guided the development of the 1<sup>st</sup> edition (2008 Tax Statistics) *to make available comprehensive tax revenue data* remains valid and underpin the contents of the 2009 Tax Statistics.
- Publication is structured in 5 chapters:
  - Chapter 1: Overview of revenue collections
  - Chapter 2: Personal income tax (PIT)
  - Chapter 3: Corporate income tax (CIT)
  - Chapter 4: Value-added tax (VAT)
  - Chapter 5: Customs/import duties

## Changes from 2008 Tax Statistics

- Taking into account the suggestions/comments made on the 2008 Tax Statistics the following improvements/enhancements were made:
  - A new table on capital gains tax (CGT) was added to show the capital gains tax raised for individuals and companies;
  - The taxable income groups for the CIT chapter (Chapter 3) were regrouped to provide a more representative spread of taxable income. Some of the taxable income groups were also consolidated into one group and others expanded to more groups.
  - A glossary of terminology has been added;
  - All the tables are included at the back of the publication
  - The tax register tables for both individuals and companies now exclude the coded cases where the status was in suspense, estate or address unknown.

## Chapter 1: Overview of revenue collections (1)

- Overview of chapter:
  - South African government revenue
  - Budget revenue and revenue performance
  - Tax relief
  - Tax rates
  - Registered taxpayers
  - Main sources of tax revenue
  - Tax revenue by main category.

## Chapter 1: Overview of revenue collections (2)

- National taxes constitute 98% of SA tax revenue and 26.9% of GDP for 2008/09. Total budget revenue as a percentage of GDP for 2008/09 was 26.2% in 2008/09.

Table 1.2: Total budget revenue, 2003/04 – 2008/09

R million	Tax revenue <sup>1</sup>		Non-tax revenue <sup>2</sup>		Total tax and non-tax revenue	Less: SACU payments	Total budget revenue	Nominal GDP <sup>3</sup>	Total budget revenue as % of GDP
		%		%					
2003/04	302 442.6	97.8%	6 711.3	2.2%	309 153.9	-9 722.7	299 431.2	1 303 907	23.0%
2004/05	354 978.8	98.3%	6 203.3	1.7%	361 182.2	-13 327.8	347 854.4	1 449 020	24.0%
2005/06	417 195.7	98.0%	8 697.1	2.0%	425 892.8	-14 144.9	411 747.9	1 613 812	25.5%
2006/07	495 548.6	97.9%	10 843.3	2.1%	506 391.9	-25 194.9	481 197.0	1 833 191	26.2%
2007/08	572 814.6	98.0%	11 671.7	2.0%	584 486.3	-24 712.6	559 773.8	2 081 625	26.9%
2008/09	625 100.2	98.0%	12 603.3	2.0%	637 703.4	-28 920.6	608 782.8	2 320 116	26.2%

### Chapter 1: Overview of revenue collections (3)

- The number of taxpayers registered as individuals, companies and trusts for income tax, employers for PAYE and vendors for VAT are shown in table 1.8.

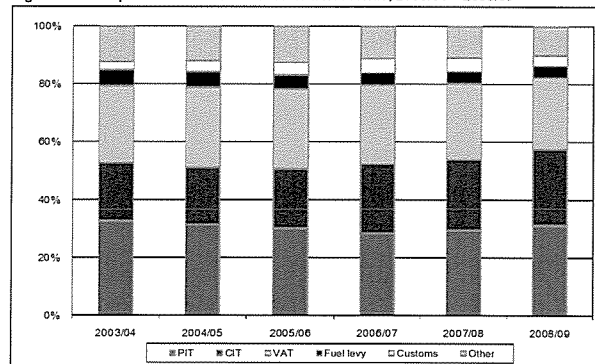
Table 1.8: Registered taxpayers, 2003/04 – 2008/09

Number	Individuals <sup>1</sup>	Companies (CIT) <sup>1</sup>	Trusts <sup>1</sup>	PAYE <sup>1</sup>	VAT <sup>1</sup>
2003/04	3 777 005	817 381	283 825	274 764	536 281
2004/05	4 115 293	933 136	318 967	302 880	578 138
2005/06	4 476 261	1 054 969	344 882	330 194	633 703
2006/07	4 764 105	1 218 905	374 411	349 077	677 153
2007/08	5 204 805	1 584 002	384 747	379 675	745 487
2008/09	5 540 646	1 834 009	392 260	393 974	737 885
<b>Percentage year-on-year growth</b>					
2003/04	10.6%	0.3%	11.5%	8.8%	6.0%
2004/05	9.0%	14.2%	12.4%	10.2%	7.8%
2005/06	8.8%	13.1%	8.1%	9.0%	9.6%
2006/07	6.4%	15.5%	8.6%	5.7%	6.9%
2007/08	9.3%	30.0%	2.8%	8.8%	10.1%
2008/09	6.5%	15.8%	2.0%	3.8%	-1.0%

- The individual taxpayer register should increase significantly with the compulsory registration of employees by employers.

### Chapter 1: Overview of revenue collections (4)

Figure 1.2: Composition of main sources of tax revenue, 2003/04 – 2008/09

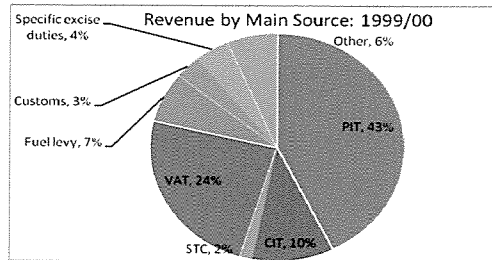


- PIT, CIT, VAT, Customs duties contribute over 85% of national taxes.
- PIT tax relief granted resulted in a reduction in the PIT contribution to total tax revenue.
- Although CIT rates dropped from 30% to 28% the contribution to total tax increased mainly due to improved corporate profits and compliance

## Chapter 1: Overview of tax revenue collections (5)

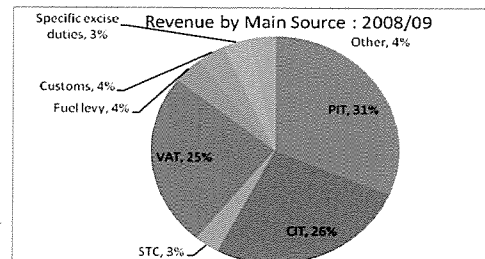
### 1999/00

- PIT = 43%
- CIT = 10%
- VAT = 24%
- Fuel levy = 7%



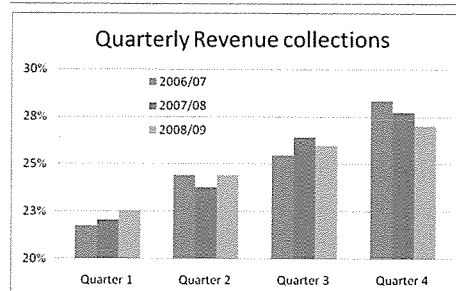
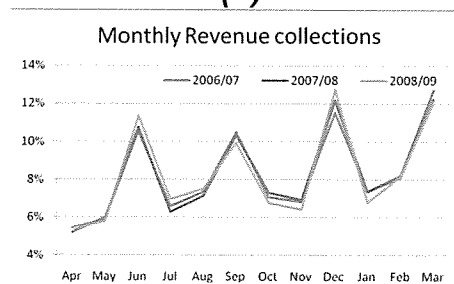
### 2008/09

- PIT = 31%
- CIT = 26%
- VAT = 25%
- Fuel Levy = 4%

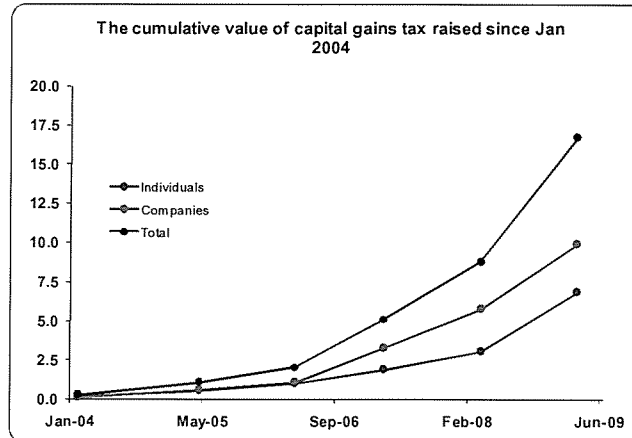


## Chapter 1: Gross Tax Collections (6)

- Monthly collections June, September, December & March - spikes at the end of the quarters.
- Last quarter of fiscal year highest collections. However, collections patterns over the last three years changed marginally



## Chapter 1: Overview of revenue collections (7)



- A table on the capital gains tax (CGT) raised was introduced for the 1<sup>st</sup> time in the 2009 Tax Statistics.
- Exponential growth in CGT declarations mainly due to growth in assets.

## Chapter 2: Personal income tax (PIT) (1)

- Overview of chapter:
  - Personal income tax rates
  - Tax returns and individual taxpayers
  - Taxable income and tax assessed
  - Individual taxpayers with business income
  - Individual taxpayers' allowances, fringe benefits and deductions.

## Chapter 2: PIT (2)

- Income tax data is based on assessed PIT returns for a tax year. Data as extracted at end of March 2009.
- Number of individual taxpayers:
  - An individual's tax year starts on 1 March and ends on the last day of February the following year
    - 5.5 million individual taxpayers registered for 2008 tax year  
*{This number should increase significantly with the compulsory registration of all employees of employers during 2010/11}*

**Table 2.2: Number of Individual taxpayers, 2005 – 2008**

Tax year	Registered <sup>1</sup>	Percentage growth in register	Assessed
2005	4 476 261	8.8%	3 806 986
2006	4 764 105	6.4%	3 856 999
2007	5 204 805	9.3%	3 580 314
2008	5 540 646	6.5%	2 611 364

1. Number of individuals registered as at 31 March of each year.

## Chapter 2: PIT (3)

- Summary of taxable income and tax assessed:

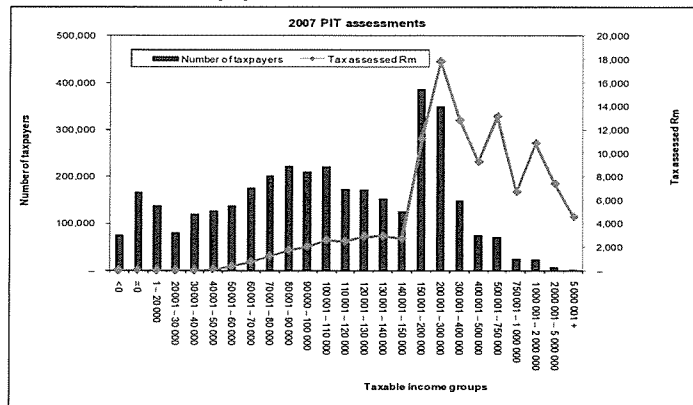
**Table 2.3: Individual taxpayers: Summary of taxable income and tax assessed, 2005 – 2008**

Tax year	Number of taxpayers assessed	Taxable income (R million)	Tax assessed (R million)	Tax assessed as a % of taxable income
2005	3 806 986	441 507	95 994	21.7%
2006	3 856 999	496 949	107 918	21.7%
2007	3 580 314	537 137	113 546	21.1%
2008	2 611 364	485 055	105 978	21.8%

Government provides fiscal drag relief (prevent taxpayers' effective tax rate from increasing due to the effects of inflation) to taxpayers on an annual basis. The extent to which this has been achieved is evidenced by the effective tax rate that has remained at more or less the same level. The only year it dipped was the year that significant relief to individuals was granted (2006/07 – relief of R12.1 billion).



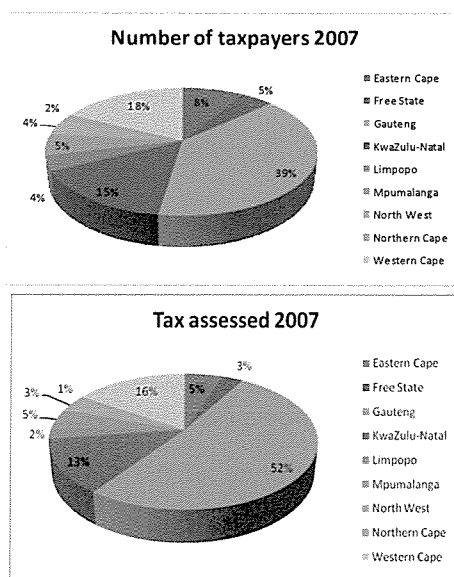
## Chapter 2: PIT (4)



The largest number of taxpayers reside in the taxable income group below R150 000, these constitute 69.7% of the assessed taxpayers who ended up paying 17.4% of the tax.

There were only 5.6% taxpayers above R400 000 taxable income and they ended up paying 45.7% of the tax.

## Chapter 2: PIT (5)

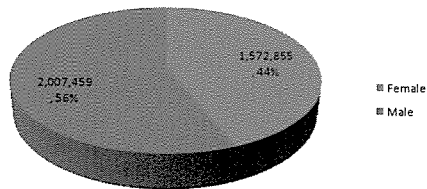


Gauteng province accounts for 39% of the taxpayers who end up with 52% of the tax assessed.

The provincial breakdown is based on where the taxpayer is registered and not necessarily where the taxpayer is employed / resides, not suitable for CIT as most of the large corporate entities are registered with the Large Business Centre in Gauteng.

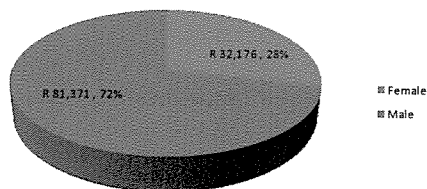
## Chapter 2: PIT (6)

Number of taxpayers 2007



Females account for 44% of the number of assessed taxpayers and their tax assessed constitute 28% of the tax assessed.

Tax assessed 2007 (R million)

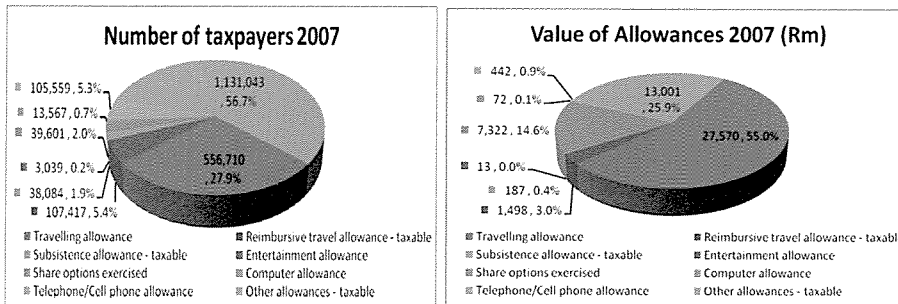


## Chapter 2: PIT (7)

- Summary of taxable income and tax assessed (*continued*):
  - by source of income (tables A2.2.1 to A2.2.2) as declared by taxpayer
    - Largest number of taxpayers employed in the Financing, insurance, real estate & business services sector
  - by economic activity (table A2.2.3)  
{Reclassification of SARS' source code according to the Standard Industrial Classification (SIC) code used by Statistics SA – project underway for the alignment of these codes}
  - by source of income as on IRP5 certificates (table A.2.2.4)  
{based on sector as indicated by the employer on the employee's IRP5 form}
  - individual taxpayers with business income (tables A2.3.1 to A2.3.2)
    - Around 4% of total individual taxpayers
    - Contribute almost 1/3 of total assessed income in the Financing, insurance, real estate & business services sector
    - On average, around 22% of these taxpayers recorded negative taxable income.

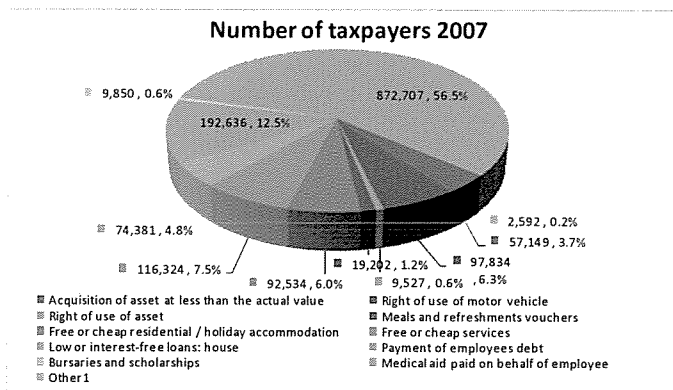
## Chapter 2: PIT (8)

- Individual taxpayers' allowances, fringe benefits and deductions:
  - allowances (tables A2.4.1 to A2.4.7)
    - Largest share of allowances is the travel allowances *{this allowance should decrease with the scrapping of the deemed business kilometre rule}*



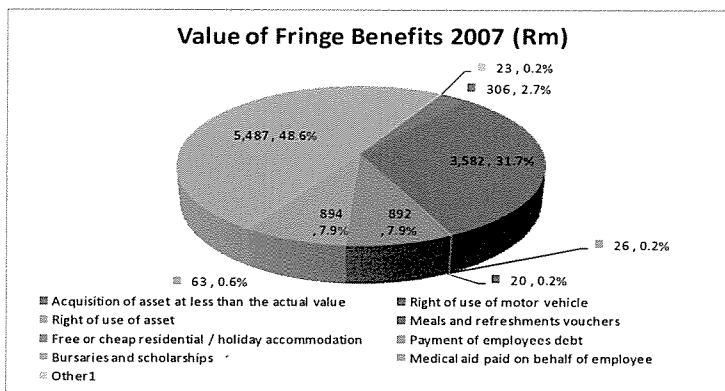
## Chapter 2: PIT (9)

- Individual taxpayers' allowances, fringe benefits and deductions (*continued*):
  - fringe benefits (tables A2.5.1 to A2.5.9)
    - Largest share of fringe benefits is medical scheme contributions paid on behalf of employees.



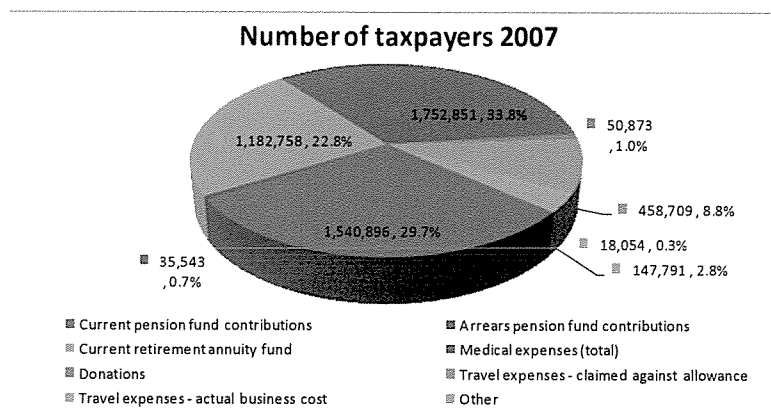
## Chapter 2: PIT (10)

- Individual taxpayers' allowances, fringe benefits and deductions (*continued*):
  - fringe benefits (tables A2.5.1 to A2.5.9)
    - Largest share of fringe benefits is medical scheme contributions paid on behalf of employees.



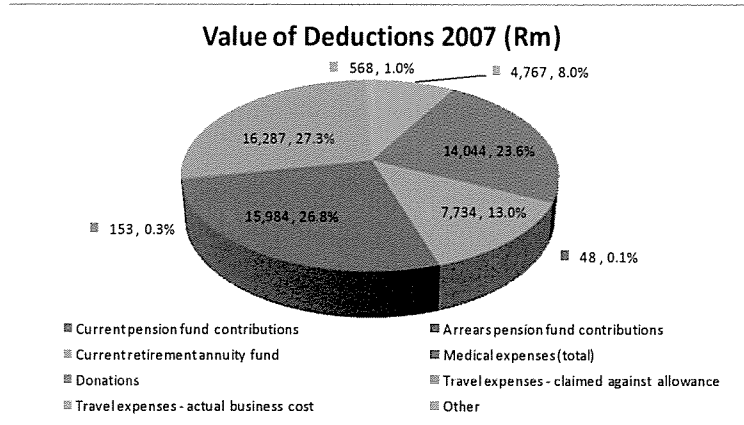
## Chapter 2: PIT (11)

- Individual taxpayers' allowances, fringe benefits and deductions (*continued*):
  - deductions (tables A2.6.1 to A2.6.15)
    - Largest share of deductions is contributions to retirement funding



## Chapter 2: PIT (12)

- Individual taxpayers' allowances, fringe benefits and deductions (*continued*):
  - deductions (tables A2.6.1 to A2.6.15)
    - Largest share of deductions is contributions to retirement funding



## Chapter 3: Corporate income tax (CIT) (1)

- Overview of chapter:
  - Number of companies
  - Provisional tax payments by tax year
  - Taxable income and tax assessed by taxable income group
  - Taxable income and tax assessed by sector (industry)
  - Companies with assessed losses or profits
  - Tax assessment by main sector.

### Chapter 3: CIT (2)

- Income tax data is based on assessed CIT returns for a tax year. Data as extracted at end of March 2009 (updated Nov-09):
- Number of companies:
  - Companies have financial years that may differ from the fiscal or calendar year, as companies are free to choose the period for their financial year (which is normally their tax year).

Table 3.1: Number of companies, 2005 – 2008

Number	Registered <sup>1</sup>		Assessed
	2005	2006	
2005	1 054 969	552 368	
2006	1 218 905	575 461	
2007	1 584 002	379 907	
2008	1 834 009	189 873	

➤ 1.8 million companies registered for 2008 tax year

- A number of companies are dormant but included in registered and these companies are not required to submit tax returns

### Chapter 3: CIT (3)

- Provisional tax payments by tax year (tables A3.1.1 to A3.1.3):
  - The majority of provisional tax payments from companies are received during March, June, September and December. Provisional taxes for any given tax year are paid in three instalments: the 1<sup>st</sup> is due six months into the company's tax year; the 2<sup>nd</sup> at the end of the tax year; and the 3<sup>rd</sup> six months after the end of the tax year (*unless the tax year ends at the end of February, then the 3<sup>rd</sup> is due seven months after the end of the tax year*).

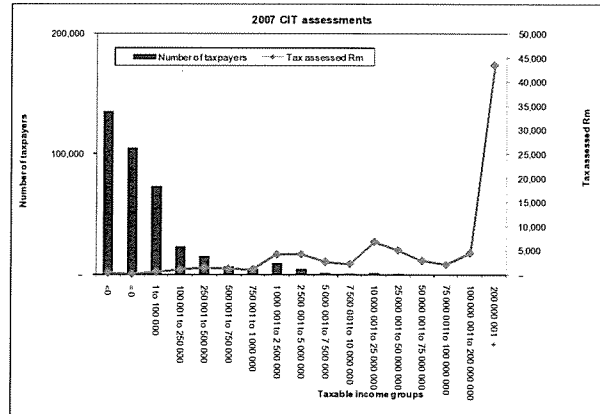
Table 3.2: Companies: Provisional tax payments by tax year paid, 2003/04 – 2008/09

R million	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
2001	313	71	30	32	4	1
2002	12 063	322	174	106	124	3
2003	32 379	5 673	281	96	115	30
2004	16 305	40 831	6 627	353	150	56
2005	61	23 847	51 176	7 463	338	167
2006	3	44	30 124	68 201	8 047	463
2007	28	9	29	42 201	82 849	9 140
2008	1	1	6	515	49 991	98 032
2009	-	12	-	-	159	56 614
Total <sup>1</sup>	61 151	70 810	88 447	118 968	141 777	164 505
prior to y-1	0.5%	0.6%	0.5%	0.5%	0.5%	0.4%
y-1	19.7%	8.0%	7.5%	6.3%	5.7%	5.6%
y	52.9%	57.7%	57.9%	57.3%	58.4%	59.0%
y+1	26.7%	33.7%	34.1%	35.5%	35.3%	34.4%
post y+1	0.2%	0.1%	0.0%	0.4%	0.1%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

- Not all taxes paid in a tax year are attributable to income earned in the same year.
- Under the provisional tax payment system, taxes for a specific tax year are paid over a number of fiscal years.

### Chapter 3: CIT (4)

- Taxable income and tax assessed:
  - by taxable income group (tables A3.2.1 to A3.2.2)
    - Roughly a 1/3 of companies have taxable income <0; 1/3 have taxable income = 0; 1/3 have taxable income >0.
    - Over 50% of the income tax assessed is paid by large companies with taxable income exceeding R200 million



### Chapter 3: CIT (5)

- Taxable income and tax assessed:
  - by sector (industry) (tables A3.3.1 to A3.3.6)
    - The Financing, insurance, real estate and business services; the Wholesale trade; and the Retail trade sectors make up about 45% of the total number of taxpayers and are responsible for about 35 to 40% of the total amount of tax assessed.

Table A3.3.2: Companies: Taxable income and tax assessed by sector (all companies), 2005 – 2008 [percentage of total]

Sector	2005			2006			2007			2008		
	Number of taxpayers	Taxable income	Tax assessed	Number of taxpayers	Taxable income	Tax assessed	Number of taxpayers	Taxable income	Tax assessed	Number of taxpayers	Taxable income	Tax assessed
Percentage of total												
Agencies and other services	14.9%	-1.4%	2.5%	21.6%	1.4%	3.6%	11.8%	-30.4%	3.0%	4.5%	3.1%	3.1%
Agriculture, forestry and fishing	2.4%	-12.5%	0.7%	2.0%	-6.1%	0.6%	3.0%	-10.3%	1.6%	3.3%	-4.8%	1.7%
Catering and accommodation	2.1%	-1.9%	0.8%	1.9%	-0.6%	0.8%	2.6%	-1.0%	0.7%	2.8%	-1.1%	0.9%
Construction	6.8%	0.9%	1.5%	6.2%	0.6%	1.7%	5.6%	4.1%	2.9%	5.6%	6.8%	5.6%
Financing, insurance, real estate and business services	36.5%	20.3%	28.7%	34.3%	15.6%	24.8%	33.3%	33.6%	24.7%	35.9%	22.2%	27.7%
Machinery and related items	1.1%	2.9%	1.7%	0.9%	2.6%	1.6%	1.7%	5.2%	2.6%	1.9%	4.7%	3.5%
Medical, dental and other health and veterinary services	0.6%	3.3%	1.5%	0.9%	2.3%	1.4%	1.1%	3.6%	1.5%	1.2%	1.8%	1.3%
Metal	1.0%	8.7%	4.8%	0.8%	7.1%	4.5%	1.2%	6.3%	3.5%	1.4%	4.1%	3.2%
Other manufacturing industries	1.7%	-1.6%	2.4%	1.5%	-2.5%	1.4%	1.1%	-1.6%	1.5%	1.2%	2.4%	2.4%
Personal and household services	0.6%	-0.2%	0.1%	0.8%	-0.1%	0.1%	0.9%	-0.0%	0.1%	1.0%	-0.6%	0.1%
Retail trade	11.4%	12.6%	6.5%	11.0%	9.8%	6.5%	11.3%	9.6%	5.6%	11.6%	8.1%	6.2%
Social and related community services	1.7%	-0.1%	0.6%	1.8%	-0.1%	0.6%	2.0%	-0.0%	0.6%	1.6%	0.0%	0.6%
Specialised repair services	0.9%	-0.9%	0.2%	0.7%	-0.6%	0.2%	0.9%	-0.6%	0.2%	1.1%	0.6%	0.5%
Transport, storage and communications	2.9%	-2.7%	8.2%	2.6%	10.6%	10.7%	2.7%	12.4%	10.2%	2.7%	29.6%	21.3%
Vehicles, parts and accessories	0.8%	11.6%	4.2%	0.7%	9.3%	5.0%	1.4%	8.5%	4.6%	1.5%	2.6%	2.1%
Wholesale trade	3.6%	6.5%	3.6%	3.0%	4.2%	3.1%	3.2%	10.5%	5.4%	3.4%	5.4%	4.5%
Other	4.5%	8.3%	3.2%	4.5%	5.8%	3.3%	8.3%	7.5%	3.7%	13.2%	7.7%	5.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- with assessed losses or profits (tables A3.4.1 to A3.4.3)
- tax assessed by main sector by tax year (tables A3.5.1 to A3.8.4)

## Chapter 4: Value-added tax (VAT)

- Overview of chapter:
  - Number of registered VAT vendors
  - Domestic VAT: Payments and refunds
  - Turnover.
- Composition of VAT revenue collections:
  - Domestic VAT, Customs VAT (or VAT on imports) and VAT refunds are the 3 components of VAT (Table A1.7.2)
    - Close to 70% of the revenue collected is from Domestic VAT
- Number of VAT vendors:
  - A vendor is regarded as active if a payment was either received or a refund was made to the vendor.
    - Over 700 000 registered VAT vendors for 2008/09
    - The decline in registered VAT vendors in 2008/09 is due to the clean-up of the VAT register that was undertaken.

Table 4.1: Number of registered VAT vendors, 2003/04 – 2008/09

Number	Registered <sup>1</sup>	Active vendors	Percentage of registered
2005/06	633 703	483 389	76.3%
2006/07	677 153	509 615	75.3%
2007/08	745 487	526 403	70.6%
2008/09	737 885	530 223	71.9%

## Chapter 4: VAT (2)

- Domestic VAT: Payments and refunds:
  - by sector (tables A4.1.1 to A4.1.2)
    - Largest number of VAT vendors were in the Financing, insurance, real estate & business services followed by Agriculture, forestry & fishing and the Retail trade sectors.

Table A4.1.2: Domestic VAT: Payments and refunds by sector, 2005/06 – 2008/09 (percentage of total)

Sector	2005/06			2006/07			2007/08			2008/09		
	Number of vendors	Payments	Refunds	Number of vendors	Payments	Refunds	Number of vendors	Payments	Refunds	Number of vendors	Payments	Refunds
Percentage of total												
Agencies and other services	6.6%	7.9%	7.6%	6.6%	8.1%	7.7%	6.6%	8.0%	6.8%	7.1%	8.4%	7.4%
Agriculture, forestry and fishing	14.2%	4.2%	8.4%	13.6%	3.9%	7.0%	13.0%	4.9%	7.3%	12.8%	4.4%	6.6%
Catering and accommodation	3.4%	1.5%	0.6%	3.4%	1.6%	0.6%	3.4%	1.5%	0.7%	3.3%	1.4%	0.6%
Construction	6.5%	5.0%	2.5%	6.6%	5.4%	2.9%	7.1%	7.2%	3.4%	7.1%	7.8%	3.3%
Financing, insurance, real estate and business services	30.3%	29.6%	17.9%	31.6%	30.7%	18.8%	32.8%	31.5%	18.6%	33.3%	31.5%	17.5%
Food, drink and tobacco	0.8%	4.6%	2.2%	0.8%	4.5%	2.1%	0.8%	4.2%	2.3%	0.8%	3.9%	2.3%
Machinery and related items	1.9%	2.6%	1.7%	1.8%	2.6%	1.5%	1.8%	2.6%	1.6%	1.7%	3.0%	2.0%
Medical, dental and other health and veterinary services	3.3%	2.6%	0.3%	3.2%	2.5%	0.3%	3.2%	2.5%	0.3%	3.2%	2.4%	0.3%
Metal	1.6%	2.9%	4.3%	1.6%	2.7%	5.6%	1.5%	2.5%	5.6%	1.5%	2.7%	5.0%
Mining and quarrying	0.5%	2.8%	16.9%	0.5%	3.5%	16.3%	0.5%	3.6%	19.4%	0.5%	4.4%	18.1%
Public administration	0.1%	1.1%	1.2%	0.1%	0.7%	1.7%	0.1%	0.5%	3.1%	0.1%	0.3%	3.7%
Retail trade	11.2%	6.7%	4.1%	10.8%	6.6%	3.9%	10.4%	6.2%	3.5%	10.1%	5.9%	3.3%
Specialised repair services	2.1%	0.8%	0.2%	2.0%	0.8%	0.2%	1.9%	0.5%	0.2%	1.9%	0.5%	0.2%
Transport, storage and communications	0.2%	0.3%	0.5%	0.2%	0.3%	0.4%	0.3%	0.5%	4.4%	3.0%	5.4%	4.4%
Vehicles, parts and accessories	1.1%	2.4%	7.3%	1.0%	2.0%	7.8%	1.0%	1.5%	6.6%	1.0%	1.6%	7.9%
Wholesale trade	5.5%	5.2%	5.1%	5.3%	5.3%	5.4%	5.1%	5.1%	4.9%	5.0%	4.6%	4.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>



## Chapter 4: VAT (3)

- Domestic VAT: Payments and refunds:
  - by payment category (tables A4.2.1 to A4.2.5)
    - Majority of VAT payments and refunds from monthly vendors

Table A4.2.1: Domestic VAT: Payments and refunds by payment category, 2005/06 – 2008/09

Payment category	2005/06			2006/07			2007/08			2008/09		
	Number of vendors	Payments (R million)	Refunds (R million)	Number of vendors	Payments (R million)	Refunds (R million)	Number of vendors	Payments (R million)	Refunds (R million)	Number of vendors	Payments (R million)	Refunds (R million)
Total	493,389	129,106	-42,984	509,615	144,263	-76,892	526,403	170,116	-96,000	530,223	187,601	-122,599
A: Monthly	73%	73.6%	82.0%	71%	72.0%	82.0%	70%	73.2%	82.8%	69%	73.4%	84.0%
B: Bi-Monthly (Jan)	37.3%	11.2%	7.1%	37.4%	11.4%	7.2%	37.6%	11.3%	7.0%	37.9%	11.3%	6.4%
C: Bi-Monthly (Feb)	50.3%	14.9%	10.5%	50.6%	15.4%	10.4%	50.8%	15.2%	9.9%	50.7%	15.0%	9.4%
D: 4-monthly	0.2%	0.0%	0.0%	0.2%	0.0%	0.0%	0.2%	0.0%	0.0%	0.3%	0.0%	0.0%
E: 6-monthly	4.8%	0.3%	0.4%	4.5%	0.3%	0.3%	4.1%	0.2%	0.2%	4.0%	0.2%	0.2%
F: Annually	0.2%	0.0%	0.0%	0.2%	0.0%	0.0%	0.2%	0.0%	0.0%	0.2%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

- by type of enterprise (table A4.3.1)
  - Companies and close corporations constitute the bulk of VAT vendors

Table A4.3.1: Domestic VAT: Payments and refunds by type of enterprise, 2005/06 – 2008/09

Type of enterprise	2005/06			2006/07			2007/08			2008/09		
	Number of vendors	Payments (R million)	Refunds (R million)	Number of vendors	Payments (R million)	Refunds (R million)	Number of vendors	Payments (R million)	Refunds (R million)	Number of vendors	Payments (R million)	Refunds (R million)
A: Individual	26.4%	4.1%	3.5%	25.0%	4.1%	3.0%	23.6%	3.8%	2.5%	22.3%	3.6%	2.2%
B: Partnership	3.3%	2.7%	3.5%	3.0%	2.2%	2.9%	2.8%	2.5%	2.9%	2.7%	2.8%	2.6%
C: Company/Close corporation	63.1%	88.0%	88.3%	64.8%	89.2%	88.4%	66.5%	89.4%	88.3%	67.9%	89.9%	88.5%
D: Local/Public authority	0.1%	2.4%	1.7%	0.2%	1.7%	2.5%	0.2%	1.6%	3.6%	0.2%	1.1%	4.1%
E: Association not for gain	0.5%	0.9%	0.7%	0.5%	0.9%	0.7%	0.5%	0.8%	0.5%	0.5%	0.8%	0.5%
F: Estate/Trust	6.1%	1.6%	1.9%	6.0%	1.7%	2.0%	6.0%	1.7%	1.9%	6.0%	1.6%	1.7%
G: Club	0.2%	0.1%	0.2%	0.2%	0.1%	0.2%	0.2%	0.1%	0.2%	0.2%	0.1%	0.1%
H: Welfare organisation	0.2%	0.0%	0.2%	0.2%	0.0%	0.2%	0.2%	0.0%	0.1%	0.2%	0.0%	0.1%
I: Other	0.0%	0.1%	0.1%	0.0%	0.1%	0.1%	0.0%	0.1%	0.0%	0.0%	0.1%	0.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

## Chapter 4: VAT (4)

- Turnover:
  - Vendors per annualised turnover
    - Close to 55% of VAT vendors had a turnover of R1 million or less
    - The top-6% of VAT vendors had a turnover in excess of R20 million

Table A4.4.1: Domestic VAT: Vendors per annualised turnover (payments and refunds), 2008/09

Turnover category	Number of vendors	Turnover <sup>1</sup> (R million)	Payments (R million)	Refunds (R million)	Net VAT (R million)
Total	530,223	7,554,068	187,601	-123,599	64,002
Percentage of total					
A: 0 to 100 000		21.1%	0.0%	1.5%	4.9%
B: 100 001 to 200 000		6.2%	0.1%	0.2%	0.6%
C: 200 001 to 300 000		5.1%	0.1%	0.2%	0.5%
D: 300 001 to 500 000		8.5%	0.2%	0.6%	0.8%
E: 500 001 to 750 000		6.5%	0.3%	0.7%	0.6%
F: 750 001 to 1 000 000		7.4%	0.4%	1.0%	0.8%
G: 1 000 001 to 2 000 000		13.9%	1.4%	3.0%	2.0%
H: 2 000 001 to 3 000 000		6.9%	1.2%	2.4%	1.2%
I: 3 000 001 to 5 000 000		7.1%	1.9%	3.6%	1.7%
J: 5 000 001 to 10 000 000		6.9%	3.4%	5.6%	2.7%
K: 10 000 001 to 14 000 000		2.4%	2.0%	3.1%	1.5%
L: 14 000 001 to 20 000 000		2.0%	2.4%	3.5%	2.0%
M: 20 000 001 to 30 000 000		1.8%	3.0%	4.0%	2.3%
N: 30 000 001 to 50 000 000		1.6%	4.4%	5.5%	3.3%
O: 50 000 000 to 100 000 000		1.3%	6.4%	7.7%	5.2%
P: 100 million +		1.4%	72.8%	57.5%	69.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

1. VAT exclusive.

## **Chapter 5: Customs/import duties**

- Overview of chapter:
  - Customs VAT, customs duty, Duty 1-2B (*ad valorem* excise duties on imports).
- Based on data collected from Bills of Entry (BoEs) processed and not actual revenue collections.
- Customs value of imports, customs VAT, customs/import duties and excise duties on imports
  - by sector (Tables A5.1.1 to A5.1.2)
    - Machinery & mechanical appliances, electrical equipment is the category that accounts for the largest value of goods imported.
    - Import/customs duty revenues are mostly derived from the following categories: Vehicles, aircraft, vessels & associated transport equipment; Textiles & textile articles; Machinery & mechanical appliances, electrical equipment; and Prepared foodstuffs, beverages, spirits & vinegar.
    - *Ad valorem* excise duty revenues (Duty 1-2B) are mostly derived from the Vehicles, aircraft, vessels & associated transport equipment; and the Machinery & mechanical appliances, electrical equipment categories.

## **Future developments**

- Future developments currently under consideration are:
  - Expansion of PIT data to include a breakdown of the income of taxpayers (e.g. salaries, commission, investment income, etc.);
  - PIT provisional tax breakdown by period and number of payments;
  - Assessment payments and refunds to taxpayers;
  - Breakdown of employees tax, UIF and SDL by sector/SETA for SDL and by size of payments;
  - Expansion to CIT to include information of companies being taxed under the small business corporation regime;
  - CGT to be expanded to include gross gains/losses as well as exemptions and exclusions that has been granted;
  - Data on security transfer tax and transfer duty;
  - VAT to be expanded to include the value of output tax and input tax declared;
  - Turnover as declared split between standard rated turnover, zero rated and exempt turnover.
- More regular updates on web of key selected assessment data (6 monthly or quarterly)

### ***Comments, queries or suggestions***

- SARS hopes to continually improve on subsequent publications and welcomes comments on the types of data that should be included in future editions. Such improvement in the quality of data and its availability will also enhance the tax policy reform process.
- Workshops to be held with users of tax statistics e.g. prominent economists, academic institutions etc.
- An electronic version of the publication as well as the excel tables are available for download on SARS' website ([www.sars.gov.za](http://www.sars.gov.za)).
- Comments, queries and suggestions are welcome and can be emailed to [taxstatistics@sars.gov.za](mailto:taxstatistics@sars.gov.za).
- The 2010 Tax Statistics to be released towards the end of the year.

# **THANK YOU**

