

Tax Issues

- *Tax Proposals*
- *Amendment Bills*

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Tax Proposals



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Structure

- ⇒ Key messages
- ⇒ Revenue estimates and outcomes
- ⇒ Estimates before tax proposals
- ⇒ Revenue impact of proposals
- ⇒ Details of key proposals
- ⇒ Annexure C



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Key messages

- ⇒ Provide a quick overview
 - Highlights
 - Overview
 - List of main tax proposals



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Revenue estimates and outcomes

⇒ Revenue estimates and outcomes

- Previous year (audited)
- Current year (revised estimate)
- Projection for MTEF period
- Revenue trends

⇒ Remember:

- Current year figures were announced in the previous year's Budget, were revised in the medium term budget policy statement, and are revised again now
- The figure SARS measures itself against at the end of the fiscal year is the total tax revenue figure



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Estimates before tax proposals

- ⇒ An analysis of the projected revenue collections, on the basis of the macroeconomic assumptions used in the Budget, assuming no changes to the tax system are made



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Revenue impact of proposals

- ⇒ A summary of the revenue impact of the tax proposals announced
- ⇒ Divided into main tax types and sub-divided according to specific tax type, with subtotals for each division and sub-division
- ⇒ Distribution of any personal tax relief between low middle and high income earners



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Details of key proposals

- ⇒ Key tax and duty proposals and research areas
- ⇒ Revised tax and duty tables
- ⇒ Overview of key tax administration changes



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Annexure C

- ⇒ Sets out details of the impact of any personal income tax changes on various income categories
- ⇒ Details of the impact of any personal income tax changes on various income categories
- ⇒ Details of any excise duty changes



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Annexure C

- ⇒ Additional information with respect to:
 - The imposition or calculation of specific taxes, which will require legislation to implement
 - Administrative proposals, which may or may not require legislation to implement



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Amendment Bills



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Annual Bills

- ⇒ Annual amendment Bills required to give effect to Budget proposals
- ⇒ Each set of Bills made up of a money Bill (imposing, repealing or varying taxes or duties) and an administration Bill
- ⇒ Switch in 2009 to a single set of Bills a year, rather than two sets



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Informal process

- ⇒ First draft of money Bill – dealing with rates, thresholds and similar matters – released close to Budget
- ⇒ Complete set of draft Bills released for public comment later in year
- ⇒ Informal Parliamentary committee hearings on draft Bills
- ⇒ Draft Bills revised in the light of public comment



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Formal process

- ⇒ Bills tabled in National Assembly
- ⇒ Money Bill subject to Money Bills Amendment Procedure and Related Matters Act, 2009
- ⇒ Formal consideration by Standing Committee on Finance
- ⇒ Vote in National Assembly and referral of approved Bills to National Council of Provinces



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Formal process (cont.)

- ⇒ Formal consideration by Select Committee on Finance
- ⇒ Vote in National Council of Provinces and referral of approved Bills to President for signature

