



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

INVITING TECHNICAL TAX PROPOSALS FOR ANNEXURE C FOR THE 2017 BUDGET REVIEW

I. Introduction

In preparation for the 2017 annual Budget, National Treasury invites taxpayers, tax practitioners and members of the public to provide tax proposals of a technical nature (and not policy) to be considered for possible inclusion in Annexure C of the 2017 Budget Review. The technical proposals requested in this invitation must be limited to unintended anomalies, loopholes and technical matters applicable to the currently existing tax legislation that require correction. Proposals of a policy nature are dealt with through a different process, as noted below, and hence this request does not apply to major tax policy proposals.

The Minister of Finance announces the annual tax proposals in the Budget Speech in February every year. The Budget Review provides more detailed information on the tax proposals made in the Budget and proposed changes to tax legislation. Major tax policy proposals are contained in Chapter 4 of the Budget Review and the more technical proposals are generally contained in Annexure C of the Budget Review.

II. Criteria

To ensure that the technical proposals are in line with the criteria set for Annexure C of the Budget Review, submitted technical proposals must be within the current tax policy framework and should not result in a shift of currently prevailing policy or should not have significant revenue impact. Technical proposals should be limited in number and be prioritised as only the most pertinent issues and concerns will be considered for inclusion in Annexure C of the 2017 Budget Review.

III. Format

To ensure proper assessment, technical proposals should be submitted in the following:

- (i) income tax – individuals, employment and savings;
- (ii) income tax – domestic business;
- (iii) income tax – international; and

- (iv) other taxes – value added tax, mineral and petroleum royalty, etc.

Each technical proposal must be explained in detail with each explanation covering the following areas:

- (i) the legal nature of the problem
- (ii) a detailed factual description of the relevant transaction; and
- (iii) the nature of the business(es) impacted by the problem.

IV. Deadline and Workshops

The requested technical proposals should be submitted by no later than **Thursday, 24 November 2016**.

In order to clarify issues raised in the submitted technical proposals and to further assist in the prioritisation of the issues raised, it is envisaged that workshops will be held on **5 and 6 December 2016**. The dates for the workshops will be confirmed by way of an electronic invitation to taxpayers, tax practitioners and members of the public. Please ensure that correct e-mail addresses and contact information is included in the written submissions.

Following this, recommendations for inclusion in Annexure C of the 2017 Budget Review will be submitted to the Minister of Finance for his consideration. It should be noted that mere engagement or request for more information on any proposal received before the 2017 Budget is no indicator that the proposal will be considered for the 2017 Budget Review. The final decision is the prerogative of the Minister of Finance and no further correspondence will be entered into regarding the Minister's response to the proposals received.

Written submissions should be sent to:

Ms Mmule Majola
mmule.majola@treasury.gov.za

Ms Adele Collins
acollins@sars.gov.za

Any correspondence relating to a tax policy matter or major tax proposal should be addressed separately from the technical proposals requested under this invitation to Mr Ismail Momoniat (Deputy Director General: Tax and Financial Sector Policy) at Ismail.Momoniat@treasury.gov.za.

Issued by National Treasury

3 November 2016