



INVITING TECHNICAL TAX PROPOSALS FOR ANNEXURE C OF THE 2019 BUDGET REVIEW

I. Introduction

National Treasury invites taxpayers, tax practitioners and members of the public to submit tax proposals of a technical nature (and not of a policy nature) to be considered for possible inclusion in Annexure C of the 2019 Budget Review. The technical tax proposals requested in this invitation must be limited to unintended anomalies, revenue leakages, loopholes and technical matters applicable to the current tax legislation that require correction. Tax proposals of a policy nature are dealt with through a different process, as noted below, and hence this request does not apply to tax policy proposals.

The Minister of Finance announces main tax proposals in the Budget Speech in February every year. The Budget Review provides additional 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 tax proposals are generally contained in Annexure C of the Budget Review.

II. Criteria

To ensure that the technical tax 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 change in currently prevailing policy. Technical tax proposals should be prioritised as only the most pertinent issues and concerns will be considered for inclusion in Annexure C of the 2019 Budget Review.

III. Format

To ensure proper assessment, technical tax proposals should be submitted under the following headings:

- (i) income tax – individuals, employment and savings;
- (ii) income tax – domestic business;
- (iii) income tax – international;
- (iv) other taxes – for example, value added tax, mineral and petroleum resource royalty; and

- (v) tax administration legislation.

Each technical tax 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 affected transaction; and
- (iii) the nature of the business(es) impacted.

IV. Deadline and Workshops

The requested technical proposals should be submitted by no later than **Friday, 23 November 2018**.

In order to clarify issues raised in the submitted technical proposals and to further assist in the prioritisation of the issues raised, workshops will be held with stakeholders on **6 and 7 December 2018** where further information is required. 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 are included in the written submissions.

Following the above process, Treasury and SARS will submit recommendations to the Minister of Finance for possible inclusion in Annexure C of the 2019 Budget. It should be noted that engagement or request for more information on any proposal before the 2019 Budget is no indicator that the proposal will be included in the 2019 Budget Review. The final decision to include any proposal is the sole prerogative of the Minister of Finance.

Written submissions should be sent to:

National Treasury
2019AnnexCProp@treasury.gov.za

SARS
acollins@sars.gov.za

Any tax proposal of a policy nature or related to a policy matter should be addressed separately from the technical tax 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

Date: 1 November 2018