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Summary of national budget

Summary of National Budget

R million	2001/02		2002/03	2003/04	2004/05
	Budget estimate	Revised estimate	Budget estimate	Medium term estimates	
Revenue					
Estimate of revenue before tax proposals			280,382		
Tax proposals					
Direct tax proposals			-15,824		
Personal income tax			-14,855		
Adjust personal income tax rate structure			-15,000		
Administrative changes			-50		
Adjustments to deductions			105		
Taxation of trusts at a flat rate of 40 per cent			90		
Corporate income tax			-335		
Accelerated depreciation allowances			-295		
Extend small business corporations tax relief			-40		
Financial transaction taxes			-430		
Exempt certain warrant repurchases from MST and UST			-80		
Remove stamp duties on certain financial instruments			-35		
Withdraw levy on Lloyd's insurance premiums			-15		
Adjust transfer duty rate structure			-300		
Increase monetary thresholds			-204		
Indirect tax proposals			659		
Specific excise taxes: Net Impact			663		
Increase in duties on alcoholic beverages			355		
Increase in excise duties on tobacco products (50% incidence)			443		
Remove duties on soft drinks (-6c/l)			-135		
Extend fuel rebate for offshore vessels			-4		
Estimate of revenue after tax proposals	233,438	248,447	265,217	288,708	313,211
<i>Percentage change from previous year</i>			6.7%	8.9%	8.5%
Expenditure					
Statutory and standing appropriations					
Cost of servicing state debt	48,138	47,515	47,503	49,845	52,434
Provincial equitable share	106,260	107,460	119,452	128,466	137,089
Skills development levy	2,800	2,750	2,950	3,150	3,370
Other 1)	603	621	389	500	426
	157,802	158,346	170,294	181,961	193,319
Appropriated by vote					
Current	83,324	90,635	97,301	104,667	110,670
Capital	15,191	13,609	17,014	19,603	21,573
	98,516	104,244	114,315	124,270	132,243
Plus:					
Contingency reserve	2,000		3,300	5,000	9,000
Estimate of national expenditure	258,318	262,590	287,909	311,231	334,561
<i>Percentage change from previous year</i>			9.6%	8.1%	7.5%
2001 Budget estimate of expenditure		258,318	277,323	297,524	
<i>Increase / decrease</i>		4,272	10,586	13,707	

1) Salaries of Members of Parliament, salaries of judges and standing appropriations (claims on guarantees and subscriptions to funds of the World Bank, African Development Bank and International Monetary Fund).

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R million					
Revenue	233,438	248,447	265,217	288,708	313,211
Expenditure	258,318	262,590	287,909	311,231	334,561
National budget deficit	-24,880	-14,143	-22,692	-22,523	-21,350
<i>Percentage of GDP</i>	-2.5%	-1.4%	-2.1%	-1.9%	-1.7%
Plus: Extraordinary transfers	-571	-2,075	-1,571	-	-
Less: Proceeds from state asset restructuring	18,000	4,721	12,000	5,000	5,000
Net borrowing requirement	-7,451	-11,496	-12,263	-17,523	-16,350
Financing					
Change in loan liabilities					
Domestic short-term loans (net)	3,500	-7,590	4,000	6,000	6,000
Domestic long-term loans (net)	-7,354	-11,061	-10,960	8,959	20,593
Loans issued for financing:	-7,354	-13,277	-11,460	8,959	20,593
New Loans	16,985	13,457	13,259	35,210	46,751
Less: Discount	-414	-323	-91	-119	-
Scheduled redemptions	-22,925	-22,432	-21,628	-26,132	-26,158
Buy back (net of book profit)	-1,000	-3,978	-3,000	-	-
Loans issued for switches	-	2,217	500	-	-
New Loans	-	40,914	500	-	-
Less: Discount	-	-1,675	-	-	-
Loans switched (net of bookprofit)	-	-37,022	-	-	-
Foreign loans (net)	11,304	33,117	16,275	10,564	-18,243
New loans	8,000	29,874	10,770	8,228	2,795
Export credit facilities	3,360	3,370	5,533	6,139	5,211
Less: Discount	-	-57	-	-	-
Redemptions	-56	-69	-28	-3,802	-26,249
Change in cash balances	-	-2,971	2,948	-8,000	8,000
Opening balance	2,000	3,977	6,948	4,000	12,000
Closing balance	2,000	-6,948	-4,000	-12,000	-4,000
Total financing (net)	7,451	11,496	12,263	17,523	16,350