

Estimate of National Revenue

2004

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To obtain copies, please contact:

Communication Directorate
National Treasury
Private Bag X115
Pretoria
0001
South Africa
Tel: +27 12 315 5948
Fax: +27 12 315 5160

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Estimate of National Revenue

2004

National Treasury

Republic of South Africa

February 2004



**Estimate of revenue to be collected in the National Revenue Fund
for the financial year ending 31 March 2005**

| R million | 2002/03 | 2003/04 | | 2004/05 | |
|---|------------------|------------------|------------------|----------------------|---------------------|
| | Actual | Budget estimate | Revised estimate | Before tax proposals | After tax proposals |
| Total tax revenue | 282 209.7 | 310 025.3 | 303 318.2 | 335 993.4 | 333 693.4 |
| Less: SACU payments ¹ | -8 259.4 | -9 722.7 | -9 722.7 | -13 327.8 | -13 327.8 |
| Non-tax revenue ² | 4 557.5 | 4 156.4 | 6 704.5 | 6 590.4 | 6 590.4 |
| Total budget revenue | 278 507.7 | 304 459.0 | 300 300.0 | 329 256.0 | 326 956.0 |
| Includes revenue pre-assigned by statute ³ | | | | | |
| <i>Skills development levy</i> | 3 352.1 | 3 600.0 | 4 000.0 | 4 300.0 | 4 300.0 |
| <i>Universal service fund</i> | 29.6 | 43.0 | 42.0 | 40.0 | 40.0 |

1. Imposed in terms of Section 51(2) of the Customs and Excise Act, no. 91 of 1964.

2. Includes the following:

 Departmental revenue

 Financial transactions in assets and liabilities

 Grants received (RPD Fund)

3. Includes the following:

 Skills development levy - collected in terms of Section 3 of the Skills Development Levies Act, no. 9 of 1999.

 Universal service fund - collected in terms of Section 58 of the Telecommunications Act, no. 103 of 1996.

**Estimate of revenue - National Revenue Fund
for the financial year ending 31 March 2005**

| R thousand | 2002/03 | 2003/04 | | 2004/05 | |
|--|--------------------|--------------------|--------------------|----------------------|---------------------|
| | Actual | Budget estimate | Revised estimate | Before tax proposals | After tax proposals |
| Taxes on income and profits | 164,565,931 | 177,864,000 | 171,990,000 | 193,260,000 | 189,198,000 |
| Income tax on persons and individuals | 94,336,679 | 96,714,000 | 98,200,000 | 110,000,000 | 105,938,000 |
| Tax on corporate income | | | | | |
| Companies | 55,745,054 | 65,820,000 | 60,650,000 | 68,800,000 | 68,800,000 |
| Secondary tax on companies | 6,325,581 | 8,000,000 | 6,000,000 | 6,760,000 | 6,760,000 |
| Tax on retirement funds | 6,989,650 | 5,950,000 | 5,600,000 | 6,000,000 | 6,000,000 |
| Other | | | | | |
| Interest on overdue income tax | 1,168,967 | 1,380,000 | 1,540,000 | 1,700,000 | 1,700,000 |
| Taxes on payroll and workforce | 3,352,054 | 3,600,000 | 4,000,000 | 4,300,000 | 4,300,000 |
| Skills development levy | 3,352,054 | 3,600,000 | 4,000,000 | 4,300,000 | 4,300,000 |
| Taxes on property | 5,084,644 | 5,890,000 | 6,520,000 | 6,970,000 | 6,870,000 |
| Estate, inheritance and gift taxes | | | | | |
| Donations tax | 17,696 | 25,000 | 20,000 | 20,000 | 20,000 |
| Estate duty | 432,726 | 550,000 | 400,000 | 450,000 | 450,000 |
| Taxes on financial and capital transactions | | | | | |
| Marketable securities tax | 1,205,176 | 1,500,000 | 1,000,000 | 1,200,000 | 1,200,000 |
| Transfer duties | 3,429,046 | 3,815,000 | 5,100,000 | 5,300,000 | 5,200,000 |
| Domestic taxes on goods and services | 97,581,850 | 109,614,160 | 110,558,000 | 119,417,411 | 121,549,411 |
| Value-added tax/Sales tax | 70,149,852 | 81,000,000 | 81,000,000 | 89,500,000 | 89,500,000 |
| Specific excise duties | 10,422,626 | 11,364,000 | 11,665,000 | 11,658,911 | 13,111,911 |
| Beer | 3,007,130 | 3,499,000 | 3,550,000 | 3,660,000 | 3,984,400 |
| Sorghum beer and sorghum flour | 37,656 | 37,000 | 38,000 | 36,911 | 36,911 |
| Wine and other fermented beverages | 544,656 | 657,000 | 450,000 | 407,000 | 521,800 |
| Mineral water | 15,486 | - | 7,000 | - | - |
| Spirits | 1,131,377 | 1,234,000 | 1,500,000 | 1,617,000 | 1,837,300 |
| Cigarettes and cigarette tobacc | 4,213,328 | 4,610,000 | 4,800,000 | 4,416,000 | 5,147,100 |
| Pipe tobacco and cigars | 370,553 | 367,000 | 370,000 | 557,000 | 619,400 |
| Petroleum products | 680,739 | 700,000 | 750,000 | 765,000 | 765,000 |
| Revenue from neighbouring countries | 421,701 | 260,000 | 200,000 | 200,000 | 200,000 |
| Ad valorem excise duties | 1,050,184 | 335,000 | 1,050,000 | 1,140,000 | 910,000 |
| Levies on fuel | 15,333,757 | 16,342,000 | 16,350,000 | 16,500,000 | 17,409,000 |
| Taxes on specific services | 770 | 160 | 1,000 | - | - |
| Levy on financial services | 770 | 160 | 1,000 | - | - |
| Taxes on use of goods or permission to use goods or to perform activities | 624,661 | 573,000 | 492,000 | 618,500 | 618,500 |
| Air departure tax | 324,757 | 430,000 | 350,000 | 380,000 | 380,000 |
| Plastic bags levy | - | - | - | 90,000 | 90,000 |
| Mining leases and ownership | 270,339 | 100,000 | 100,000 | 108,500 | 108,500 |
| Universal service fund | 29,565 | 43,000 | 42,000 | 40,000 | 40,000 |
| Taxes on international trade and transactions | 9,619,759 | 11,307,150 | 8,800,200 | 10,476,000 | 10,476,000 |
| Import duties | | | | | |
| Customs duties | 9,330,656 | 11,000,000 | 8,500,000 | 9,500,000 | 9,500,000 |
| Import surcharges | 19 | 650 | - | - | - |
| Other | | | | | |
| Ordinary levy | 5,130 | 6,500 | 200 | 650,000 | 650,000 |
| Miscellaneous customs & excise receipts | 283,954 | 300,000 | 300,000 | 326,000 | 326,000 |

**Estimate of revenue - National Revenue Fund
for the financial year ending 31 March 2005 — *c o n t i n u e d***

| R thousand | 2002/03 | 2003/04 | | 2004/05 | |
|--|-------------|-----------------|------------------|----------------------|---------------------|
| | Actual | Budget estimate | Revised estimate | Before tax proposals | After tax proposals |
| Other taxes | | | | | |
| Stamp duties and fees | 1,572,419 | 1,750,000 | 1,450,000 | 1,570,000 | 1,300,000 |
| State miscellaneous revenue (SMR) | 432,997 | - | - | - | - |
| Total tax revenue (gross) | 282,209,654 | 310,025,310 | 303,318,200 | 335,993,411 | 333,693,411 |
| Less: | | | | | |
| SACU payments in terms of Customs Union agreements | -8,259,425 | -9,722,697 | -9,722,697 | -13,327,791 | -13,327,791 |
| Total tax revenue (net of SACU payments) | 273,950,229 | 300,302,613 | 293,595,503 | 322,665,620 | 320,365,620 |
| Sales of goods and services other than capital assets | 966,335 | 987,000 | 2,499,991 | 2,465,000 | 2,465,000 |
| Sales of goods and services produced by department: | | | | | |
| Administrative fees | 708,769 | 757,000 | 1,765,991 | 1,700,000 | 1,700,000 |
| Other sales | 207,488 | 200,000 | 720,000 | 750,000 | 750,000 |
| Sales of scrap, waste, arms and other used current goods: | 50,078 | 30,000 | 14,000 | 15,000 | 15,000 |
| Transfers received | - | - | 5,200 | 6,000 | 6,000 |
| Fines, penalties and forfeits | 185,188 | 180,000 | 300,000 | 240,000 | 240,000 |
| Interest, dividends and rent on land | 2,910,473 | 2,864,387 | 3,262,621 | 3,233,180 | 3,233,180 |
| Interest | | | | | |
| Cash balances | 216,690 | 10,000 | 100,000 | 130,000 | 130,000 |
| Corporation for Public Deposits | 28,878 | 50,000 | 30,000 | 43,200 | 43,200 |
| Exchequer deposits | 1,269,605 | 1,240,000 | 1,700,000 | 1,500,000 | 1,500,000 |
| Other | 126,397 | - | - | - | - |
| Dividends | | | | | |
| ACSA | 119,000 | 130,000 | 246,177 | 256,270 | 256,270 |
| Central Energy Fund | 290,000 | 319,000 | 280,000 | 303,431 | 303,431 |
| Eskom | 560,000 | 616,000 | 549,000 | 594,941 | 594,941 |
| Industrial Development Corporation | 55,000 | 60,500 | 55,000 | 57,255 | 57,255 |
| Operating surpluses of accounts and enterprises | 72,906 | 10,000 | - | 10,000 | 10,000 |
| Reserve Bank | 7,136 | 267,107 | 170,664 | 187,730 | 187,730 |
| SA Broadcasting Corporation | 1,791 | 1,780 | 1,780 | 1,853 | 1,853 |
| Telkom | - | - | - | - | - |
| Rent on land | 163,070 | 160,000 | 130,000 | 148,500 | 148,500 |
| Other revenue | 12,426 | - | - | - | - |
| Unspecified | 12,426 | - | - | - | - |
| Departmental revenue | 4,074,422 | 4,031,387 | 6,067,812 | 5,944,180 | 5,944,180 |
| Total current revenue | 278,024,651 | 304,334,000 | 299,663,315 | 328,609,800 | 326,309,800 |
| Financial transactions in assets and liabilities | 365,597 | 125,000 | 570,000 | 646,200 | 646,200 |
| Sales of assets | 57,848 | 50,000 | 15,000 | 16,200 | 16,200 |
| Recoveries of loans | 307,749 | 75,000 | 555,000 | 630,000 | 630,000 |
| Grants received (RDP Fund) | | | | | |
| Foreign grants | 117,495 | - | 66,685 | - | - |
| Total budget revenue | 278,507,743 | 304,459,000 | 300,300,000 | 329,256,000 | 326,956,000 |

Estimate of revenue - National Revenue Fund
Summary and medium term estimates

| R million | 2002/03 | 2003/04 | 2004/05 | | 2005/05 | 2006/06 |
|--|------------------|------------------|----------------------|---------------------|-----------------------|------------------|
| | Actual | Revised estimate | Before tax proposals | After tax proposals | Medium term estimates | |
| Taxes on income and profits | 164,565.9 | 171,990.0 | 193,260.0 | 189,198.0 | 209,456.0 | 226,708.0 |
| Persons and individuals | 94,336.7 | 98,200.0 | 110,000.0 | 105,938.0 | 118,250.0 | 129,000.0 |
| Companies | 55,745.1 | 60,650.0 | 68,800.0 | 68,800.0 | 75,506.0 | 80,648.0 |
| Secondary tax on companies | 6,325.6 | 6,000.0 | 6,760.0 | 6,760.0 | 7,200.0 | 7,860.0 |
| Tax on retirement funds | 6,989.7 | 5,600.0 | 6,000.0 | 6,000.0 | 6,700.0 | 7,200.0 |
| Other | 1,169.0 | 1,540.0 | 1,700.0 | 1,700.0 | 1,800.0 | 2,000.0 |
| Taxes on payroll and workforce | 3,352.1 | 4,000.0 | 4,300.0 | 4,300.0 | 4,500.0 | 4,700.0 |
| Skills development levy | 3,352.1 | 4,000.0 | 4,300.0 | 4,300.0 | 4,500.0 | 4,700.0 |
| Taxes on property | 5,084.6 | 6,520.0 | 6,970.0 | 6,870.0 | 7,645.0 | 8,576.0 |
| Domestic taxes on goods and services | 97,581.9 | 110,558.0 | 119,417.4 | 121,549.4 | 130,142.0 | 145,184.0 |
| Value-added tax | 70,149.9 | 81,000.0 | 89,500.0 | 89,500.0 | 95,800.0 | 108,000.0 |
| Specific excise duties | 10,422.6 | 11,665.0 | 11,658.9 | 13,111.9 | 14,204.0 | 15,335.0 |
| Levies on fuel | 15,333.8 | 16,350.0 | 16,500.0 | 17,409.0 | 18,250.0 | 19,800.0 |
| Other levies | 1,675.6 | 1,543.0 | 1,758.5 | 1,528.5 | 1,888.0 | 2,049.0 |
| Taxes on international trade and transactions | 9,619.8 | 8,800.2 | 10,476.0 | 10,476.0 | 10,905.7 | 11,570.0 |
| Stamp duties and fees | 1,572.4 | 1,450.0 | 1,570.0 | 1,300.0 | 1,800.0 | 1,870.0 |
| State miscellaneous revenue (SMR) | 433.0 | - | - | - | - | - |
| Total tax revenue | 282,209.7 | 303,318.2 | 335,993.4 | 333,693.4 | 364,448.7 | 398,608.0 |
| Less: SACU payments | -8,259.4 | -9,722.7 | -13,327.8 | -13,327.8 | -11,206.0 | -11,948.0 |
| Other revenue | 4,557.5 | 6,704.5 | 6,590.4 | 6,590.4 | 7,023.3 | 7,342.0 |
| Departmental revenue | 4,074.4 | 6,067.8 | 5,944.2 | 5,944.2 | 6,314.3 | 6,581.0 |
| Financial transactions in assets and liabilities | 365.6 | 570.0 | 646.2 | 646.2 | 709.0 | 761.0 |
| Grants received (PRD Fund) | 117.5 | 66.7 | - | - | - | - |
| Total budget revenue | 278,507.7 | 300,300.0 | 329,256.0 | 326,956.0 | 360,266.0 | 394,002.0 |
| Current revenue | 278,142.1 | 299,730.0 | 328,609.8 | 326,309.8 | 359,557.0 | 393,241.0 |
| Direct taxes | 168,368.4 | 176,410.0 | 198,030.0 | 193,968.0 | 214,501.0 | 231,984.0 |
| Indirect taxes | 113,408.3 | 126,908.2 | 137,963.4 | 139,725.4 | 149,947.7 | 166,624.0 |
| State miscellaneous revenue (SMR) | 433.0 | - | - | - | - | - |
| Departmental revenue & grants received | 4,191.9 | 6,134.5 | 5,944.2 | 5,944.2 | 6,314.3 | 6,581.0 |
| Less: SACU payments | -8,259.4 | -9,722.7 | -13,327.8 | -13,327.8 | -11,206.0 | -11,948.0 |
| Financial transactions in assets and liabilities | 365.6 | 570.0 | 646.2 | 646.2 | 709.0 | 761.0 |