

# **Estimate of National Revenue**

**2005**

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# **Estimate of National Revenue**

*for the financial year ending  
31 March 2006*

**National Treasury**

**Republic of South Africa**

**February 2005**

**Estimate of revenue to be collected in the National Revenue Fund  
for the financial year ending 31 March 2006**

R million	2003/04	2004/05		2005/06	
	Actual	Budget estimate	Revised estimate	Before tax proposals	After tax proposals
<b>Tax revenue</b>	302 507.5	333 693.6	345 261.3	382 155.0	372 774.3
<b>Less: SACU payments<sup>1</sup></b>	-9 722.7	-13 327.8	-13 327.8	-12 052.9	-12 052.9
<b>Non-tax revenue<sup>2</sup></b>	6 646.3	6 590.4	6 026.7	9 148.1	9 148.1
<b>Total revenue</b>	<b>299 431.2</b>	<b>326 956.2</b>	<b>337 960.2</b>	<b>379 250.2</b>	<b>369 869.5</b>
Includes revenue pre-assigned by statute <sup>3</sup>					
<i>Skills development levy</i>	3 896.4	4 300.0	4 600.0	5 000.0	4 908.0
<i>Universal service fund</i>	26.7	40.0	93.3	105.0	105.0

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

2. Includes the following:

    Departmental revenue

    Sales of assets

    Recoveries of loans and advances

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 2006**

R thousand	2003/04	2004/05		2005/06	
	Actual	Budget estimate	Revised estimate	Before tax proposals	After tax proposals
<b>Taxes on income and profits</b>	<b>171 962 773</b>	<b>189 198 200</b>	<b>189 900 000</b>	<b>211 350 000</b>	<b>200 855 000</b>
Income tax on persons and individuals	98 495 130	105 938 000	110 950 000	124 000 000	116 890 000
Tax on corporate income					
Companies	60 880 803	68 800 000	65 450 000	72 100 000	68 715 000
Secondary tax on companies	6 132 930	6 760 000	7 600 000	8 700 000	8 700 000
Tax on retirement funds	4 897 650	6 000 000	4 500 000	4 900 000	4 900 000
Other					
Interest on overdue income tax	1 556 260	1 700 200	1 400 000	1 650 000	1 650 000
<b>Taxes on payroll and workforce</b>	<b>3 896 435</b>	<b>4 300 000</b>	<b>4 600 000</b>	<b>5 000 000</b>	<b>4 908 000</b>
Skills development levy	3 896 435	4 300 000	4 600 000	5 000 000	4 908 000
<b>Taxes on property</b>	<b>6 707 470</b>	<b>6 870 000</b>	<b>8 928 000</b>	<b>10 270 000</b>	<b>9 820 000</b>
Estate, inheritance and gift taxes					
Donations tax	17 131	20 000	28 000	30 000	30 000
Estate duty	417 130	450 000	500 000	540 000	540 000
Taxes on financial and capital transactions					
Marketable securities tax	1 101 147	1 200 000	1 200 000	1 300 000	1 300 000
Transfer duties	5 172 062	5 200 000	7 200 000	8 400 000	7 950 000
<b>Domestic taxes on goods and services</b>	<b>110 173 530</b>	<b>121 549 411</b>	<b>129 033 280</b>	<b>141 085 000</b>	<b>143 091 300</b>
Value-added tax	80 681 755	89 500 000	95 500 000	106 250 000	105 975 000
Specific excise duties	11 364 576	13 111 911	12 975 000	13 200 000	14 509 300
Beer	3 448 727	3 984 400	3 966 000	4 120 000	4 510 000
Sorghum beer and sorghum flour	38 989	36 911	36 000	40 000	40 000
Wine and other fermented beverages	513 667	521 800	695 000	700 000	810 000
Mineral water	8 659	-	-	-	-
Spirits	1 200 950	1 837 300	1 638 000	1 670 000	1 860 000
Cigarettes and cigarette tobacco	4 698 781	5 147 100	5 340 000	5 320 000	5 897 800
Pipe tobacco and cigars	336 262	619 400	364 000	360 000	402 200
Petroleum products	786 786	765 000	806 000	820 000	819 300
Revenue from neighbouring countries	331 755	200 000	130 000	170 000	170 000
Ad valorem excise duties	1 016 151	910 000	1 100 000	1 200 000	1 190 000
Levies on fuel	16 652 388	17 409 000	18 800 000	19 700 000	20 650 000
<b>Taxes on specific services</b>					
Levy on financial services	-206	-	-	-	-
<b>Taxes on use of goods or permission to use goods or to perform activities</b>	<b>458 866</b>	<b>618 500</b>	<b>658 280</b>	<b>735 000</b>	<b>767 000</b>
Air departure tax	367 163	380 000	420 000	430 000	462 000
Plastic bags levy	-	90 000	40 000	90 000	90 000
Mining leases and ownership					
Other mines	64 958	108 500	105 000	110 000	110 000
Other					
Universal service fund	26 745	40 000	93 280	105 000	105 000
<b>Taxes on international trade and transactions</b>	<b>8 414 278</b>	<b>10 476 000</b>	<b>11 650 000</b>	<b>13 200 000</b>	<b>13 200 000</b>
Import duties					
Customs duties	8 479 415	9 500 000	11 500 000	13 000 000	13 000 000
Import surcharges	-	-	-	-	-
Other					
Ordinary levy	591	650 000	-	-	-
Miscellaneous customs & excise receipts	-65 278	326 000	150 000	200 000	200 000

**Estimate of revenue - National Revenue Fund  
for the financial year ending 31 March 2006 — *continued***

R thousand	2003/04	2004/05		2005/06	
	Actual	Budget estimate	Revised estimate	Before tax proposals	After tax proposals
<b>Other taxes</b>					
Stamp duties and fees	1 360 087	1 300 000	1 150 000	1 250 000	900 000
<b>State miscellaneous revenue (SMR)</b>	-7 064	-	-	-	-
<b>Total tax revenue (gross)</b>	<b>302 507 509</b>	<b>333 693 611</b>	<b>345 261 280</b>	<b>382 155 000</b>	<b>372 774 300</b>
Less:					
<b>SACU payments in terms of Customs Union agreements</b>	<b>-9 722 697</b>	<b>-13 327 791</b>	<b>-13 327 791</b>	<b>-12 052 901</b>	<b>-12 052 901</b>
<b>Total tax revenue (net of SACU payments)</b>	<b>292 784 812</b>	<b>320 365 820</b>	<b>331 933 489</b>	<b>370 102 099</b>	<b>360 721 399</b>
<b>Interest, dividends and rent on land</b>	<b>3 008 272</b>	<b>3 233 180</b>	<b>3 183 868</b>	<b>3 677 601</b>	<b>3 677 601</b>
Interest					
Cash balances	144 900	130 000	128 504	135 486	135 486
Corporation for Public Deposits	40 375	43 200	68 120	70 846	70 846
Exchequer deposits	1 779 616	1 500 000	1 700 000	1 876 000	1 876 000
Other	-	-	-	-	-
Dividends					
ACSA	246 177	256 270	170 000	178 500	178 500
Central Energy Fund	189 221	303 431	-	208 616	208 616
Eskom	-	594 941	569 000	619 334	619 334
Industrial Development Corporation	55 000	57 255	60 000	59 602	59 602
Operating surpluses of accounts and enterprises	-	10 000	-	-	-
Reserve Bank	170 664	187 730	73 157	80 656	80 656
SA Broadcasting Corporation	1 780	1 853	1 780	1 929	1 929
Telkom	186 797	-	228 307	239 722	239 722
SAFCOL	68 000	-	30 000	31 500	31 500
Denel	-	-	-	10 410	10 410
Other	1 588	-	-	-	-
Rent on land	124 154	148 500	155 000	165 000	165 000
<b>Sales of goods and services</b>	<b>2 435 349</b>	<b>2 450 000</b>	<b>1 750 000</b>	<b>1 835 000</b>	<b>1 835 000</b>
Administrative fees	1 820 509	1 700 000	1 280 000	1 340 000	1 340 000
Other sales	614 840	750 000	470 000	495 000	495 000
<b>Transfer received</b>	<b>130 121</b>	<b>6 000</b>	<b>4 500</b>	<b>4 800</b>	<b>4 800</b>
<i>of which: foreign grants received</i>	66 685	-	-	-	-
<b>Fines and forfeitures</b>	<b>344 109</b>	<b>240 000</b>	<b>395 000</b>	<b>2 815 000</b>	<b>2 815 000</b>
<i>of which: foreign exchange amnesty proceeds</i>	-	-	-	2 400 000	2 400 000
<b>Sales of scrap, waste, arms and other used goods</b>	<b>13 594</b>	<b>15 000</b>	<b>160 000</b>	<b>170 000</b>	<b>170 000</b>
<b>Departmental revenue</b>	<b>5 931 445</b>	<b>5 944 180</b>	<b>5 493 368</b>	<b>8 502 401</b>	<b>8 502 401</b>
<b>Total current revenue</b>	<b>298 716 257</b>	<b>326 310 000</b>	<b>337 426 857</b>	<b>378 604 500</b>	<b>369 223 800</b>
<b>Flows due to transactions in assets and liabilities</b>	<b>714 902</b>	<b>646 200</b>	<b>533 332</b>	<b>645 690</b>	<b>645 690</b>
Sales of assets	16 493	16 200	43 143	130 000	130 000
Recoveries of loans and advances	698 409	630 000	490 189	515 690	515 690
<b>Main budget revenue</b>	<b>299 431 159</b>	<b>326 956 200</b>	<b>337 960 189</b>	<b>379 250 190</b>	<b>369 869 490</b>

## Estimate of revenue - National Revenue Fund

### Summary and medium term estimates

R million	2003/04	2004/05	2005/06		2006/07	2007/08
	Actual	Revised estimate	Before tax proposals	After tax proposals	Medium term estimates	
<b>Taxes on income and profits</b>	<b>171 962.8</b>	<b>189 900.0</b>	<b>211 350.0</b>	<b>200 855.0</b>	<b>226 250.0</b>	<b>247 500.0</b>
Persons and individuals	98 495.1	110 950.0	124 000.0	116 890.0	129 650.0	141 400.0
Companies	60 880.8	65 450.0	72 100.0	68 715.0	79 900.0	87 700.0
Secondary tax on companies	6 132.9	7 600.0	8 700.0	8 700.0	9 500.0	10 500.0
Tax on retirement funds	4 897.7	4 500.0	4 900.0	4 900.0	5 400.0	6 000.0
Other	1 556.3	1 400.0	1 650.0	1 650.0	1 800.0	1 900.0
<b>Taxes on payroll and workforce</b>	<b>3 896.4</b>	<b>4 600.0</b>	<b>5 000.0</b>	<b>4 908.0</b>	<b>5 600.0</b>	<b>6 000.0</b>
Skills development levy	3 896.4	4 600.0	5 000.0	4 908.0	5 600.0	6 000.0
<b>Taxes on property</b>	<b>6 707.5</b>	<b>8 928.0</b>	<b>10 270.0</b>	<b>9 820.0</b>	<b>11 252.0</b>	<b>12 286.0</b>
Other	6 707.5	8 928.0	10 270.0	9 820.0	11 252.0	12 286.0
<b>Domestic taxes on goods and services</b>	<b>110 173.5</b>	<b>129 033.3</b>	<b>141 085.0</b>	<b>143 091.3</b>	<b>155 232.0</b>	<b>170 500.0</b>
Value-added tax	80 681.8	95 500.0	106 250.0	105 975.0	116 950.0	128 350.0
Specific excise duties	11 364.6	12 975.0	13 200.0	14 509.3	14 525.0	15 855.0
Levies on fuel	16 652.4	18 800.0	19 700.0	20 650.0	21 650.0	23 900.0
Other levies	1 474.8	1 758.3	1 935.0	1 957.0	2 107.0	2 395.0
<b>Taxes on international trade and transactions</b>	<b>8 414.3</b>	<b>11 650.0</b>	<b>13 200.0</b>	<b>13 200.0</b>	<b>14 470.0</b>	<b>15 940.0</b>
<b>Stamp duties and fees</b>	<b>1 360.1</b>	<b>1 150.0</b>	<b>1 250.0</b>	<b>900.0</b>	<b>1 350.0</b>	<b>1 500.0</b>
<b>State miscellaneous revenue (SMR)</b>	<b>- 7.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tax revenue (gross)</b>	<b>302 507.5</b>	<b>345 261.3</b>	<b>382 155.0</b>	<b>372 774.3</b>	<b>414 154.0</b>	<b>453 726.0</b>
<b>Less: SACU payments</b>	<b>-9 722.7</b>	<b>-13 327.8</b>	<b>-12 052.9</b>	<b>-12 052.9</b>	<b>-15 572.6</b>	<b>-16 151.2</b>
<b>Other revenue</b>	<b>6 646.3</b>	<b>6 026.7</b>	<b>9 148.1</b>	<b>9 148.1</b>	<b>6 845.6</b>	<b>7 067.8</b>
Departmental revenue	5 931.4	5 493.4	8 502.4	8 502.4	6 166.6	6 378.2
Sales of assets	16.5	43.1	130.0	130.0	139.0	122.6
Recoveries of loans and advances	698.4	490.2	515.7	515.7	540.0	567.0
<b>Main budget revenue</b>	<b>299 431.2</b>	<b>337 960.2</b>	<b>379 250.2</b>	<b>369 869.5</b>	<b>405 427.0</b>	<b>444 642.6</b>
Current revenue	298 716.3	337 426.9	378 604.5	369 223.8	404 748.0	443 953.0
Direct taxes	176 293.5	195 028.0	216 920.0	206 333.0	232 472.0	254 186.0
Indirect taxes	126 221.1	150 233.3	165 235.0	166 441.3	181 682.0	199 540.0
State miscellaneous revenue (SMR)	- 7.1	-	-	-	-	-
Departmental revenue & grants received	5 931.4	5 493.4	8 502.4	8 502.4	6 166.6	6 378.2
Less: SACU payments	-9 722.7	-13 327.8	-12 052.9	-12 052.9	-15 572.6	-16 151.2
Sales of assets	16.5	43.1	130.0	130.0	139.0	122.6
Recoveries of loans and advances	698.4	490.2	515.7	515.7	540.0	567.0