

# **Estimate of National Revenue**

**2006**

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# **Estimate of National Revenue**

*for the financial year ending  
31 March 2007*

**National Treasury**

**Republic of South Africa**

**February 2006**



**Estimate of revenue to be collected in the National Revenue Fund  
for the financial year ending 31 March 2007**

R million	2004/05	2005/06		2006/07	
	Actual	Budget estimate	Revised estimate	Before tax proposals	After tax proposals
<b>Tax revenue</b>	354 980.3	372 774.3	417 050.0	475 913.5	456 786.0
<b>Less: SACU payments<sup>1</sup></b>	-13 327.8	-12 052.9	-14 144.9	-19 744.4	-19 744.4
<b>Non-tax revenue<sup>2</sup></b>	6 201.9	9 148.1	8 180.0	9 320.1	9 320.1
<b>Total revenue</b>	<b>347 854.4</b>	<b>369 869.5</b>	<b>411 085.1</b>	<b>465 489.2</b>	<b>446 361.7</b>
Includes revenue pre-assigned by statute <sup>3</sup>					
<i>Skills development levy</i>	4 443.3	4 908.0	5 000.0	5 600.0	5 600.0
<i>Universal service fund</i>	99.8	105.0	191.0	215.0	215.0

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

2. Include the following:

    Departmental revenue

    Sales of assets

    Recoveries of loans and advances

    The 2005/06 Budget estimate include the budgeted proceeds from the foreign exchange amnesty of R2,4 billion

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 2007**

R thousand	2004/05	2005/06		2006/07	
	Actual	Budget estimate	Revised estimate	Before tax proposals	After tax proposals
<b>Taxes on income and profits</b>	<b>195 219 114</b>	<b>200 855 000</b>	<b>228 730 000</b>	<b>260 740 500</b>	<b>245 815 500</b>
Income tax on persons and individuals	110 981 881	116 890 000	125 760 000	144 600 000	132 475 000
Tax on corporate income					
Companies	70 781 871	68 715 000	84 900 000	95 600 500	95 200 500
Secondary tax on companies	7 487 073	8 700 000	11 850 000	13 850 000	13 850 000
Tax on retirement funds	4 406 121	4 900 000	4 500 000	4 800 000	2 400 000
Other					
Interest on overdue income tax	1 562 168	1 650 000	1 720 000	1 890 000	1 890 000
<b>Taxes on payroll and workforce</b>	<b>4 443 296</b>	<b>4 908 000</b>	<b>5 000 000</b>	<b>5 600 000</b>	<b>5 600 000</b>
Skills development levy	4 443 296	4 908 000	5 000 000	5 600 000	5 600 000
<b>Taxes on property</b>	<b>9 012 634</b>	<b>9 820 000</b>	<b>11 120 000</b>	<b>13 462 000</b>	<b>8 922 000</b>
Estate, inheritance and gift taxes					
Donations tax	25 189	30 000	30 000	32 000	30 000
Estate duty	506 914	540 000	590 000	650 000	612 000
Taxes on financial and capital transactions					
Marketable securities tax	1 365 902	1 300 000	1 800 000	2 070 000	2 070 000
Transfer duties	7 114 629	7 950 000	8 700 000	10 710 000	6 210 000
<b>Domestic taxes on goods and services</b>	<b>131 982 800</b>	<b>143 091 300</b>	<b>152 370 000</b>	<b>171 537 000</b>	<b>171 884 500</b>
Value-added tax	98 157 875	105 975 000	115 000 000	132 200 000	131 200 000
<i>Specific excise duties</i>	<i>13 066 653</i>	<i>14 509 300</i>	<i>14 599 000</i>	<i>15 246 000</i>	<i>16 615 500</i>
Beer	3 963 493	4 510 000	4 450 000	4 580 000	5 022 000
Sorghum beer and sorghum flour	42 448	40 000	45 000	46 000	46 000
Wine and other fermented beverages	739 748	810 000	650 000	670 000	743 000
Mineral water	-	-	-	-	-
Spirits	1 507 530	1 860 000	1 900 000	2 050 000	2 260 000
Cigarettes and cigarette tobacco	5 348 515	5 897 800	6 070 000	6 340 000	6 950 000
Pipe tobacco and cigars	389 370	402 200	350 000	360 000	394 500
Petroleum products	802 312	819 300	860 000	920 000	920 000
Revenue from neighbouring countries	273 237	170 000	274 000	280 000	280 000
Ad valorem excise duties	1 015 184	1 190 000	1 200 000	1 362 000	1 340 000
Levies on fuel	19 190 431	20 650 000	20 700 000	21 800 000	21 800 000
<b>Taxes on specific services</b>	<b>-2 807</b>				
Levy on financial services	-2 807	-	-	-	-
<b>Taxes on use of goods or permission to use goods or to perform activities</b>	<b>555 464</b>	<b>767 000</b>	<b>871 000</b>	<b>929 000</b>	<b>929 000</b>
Air departure tax	412 176	462 000	440 000	460 000	460 000
Plastic bags levy	41 214	90 000	90 000	94 000	94 000
Mining leases and ownership					
Other mines	2 226	110 000	150 000	160 000	160 000
Other					
Universal service fund	99 848	105 000	191 000	215 000	215 000
<b>Taxes on international trade and transactions</b>	<b>13 285 694</b>	<b>13 200 000</b>	<b>18 960 000</b>	<b>23 600 000</b>	<b>23 600 000</b>
Import duties					
Customs duties	12 888 364	13 000 000	18 600 000	23 200 000	23 200 000
Import surcharges	-	-	-	-	-
Other					
Ordinary levy	103	-	-	-	-
Miscellaneous customs & excise receipts	397 227	200 000	360 000	400 000	400 000

**Estimate of revenue - National Revenue Fund  
for the financial year ending 31 March 2007 — *continued***

R thousand	2004/05	2005/06		2006/07	
	Actual	Budget estimate	Revised estimate	Before tax proposals	After tax proposals
<b>Other taxes</b>					
Stamp duties and fees	1 167 655	900 000	870 000	974 000	964 000
<b>State miscellaneous revenue (SMR)</b>	-130 927	-	-	-	-
<b>Total tax revenue (gross)</b>	<b>354 980 266</b>	<b>372 774 300</b>	<b>417 050 000</b>	<b>475 913 500</b>	<b>456 786 000</b>
Less:					
<b>SACU payments in terms of Customs Union agreements</b>	<b>-13 327 791</b>	<b>-12 052 901</b>	<b>-14 144 921</b>	<b>-19 744 393</b>	<b>-19 744 393</b>
<b>Total tax revenue (net of SACU payments)</b>	<b>341 652 475</b>	<b>360 721 399</b>	<b>402 905 079</b>	<b>456 169 107</b>	<b>437 041 607</b>
<b>Interest, dividends and rent on land</b>	<b>2 923 380</b>	<b>3 677 601</b>	<b>4 713 741</b>	<b>5 748 998</b>	<b>5 748 998</b>
Interest					
Cash balances	133 931	135 486	190 719	261 600	261 600
Corporation for Public Deposits	90 819	70 846	4 000	-	-
Exchequer deposits	1 504 448	1 876 000	1 731 000	1 528 000	1 528 000
Other	-	-	458 272	1 742 000	1 742 000
Dividends					
ACSA	170 086	178 500	234 000	245 700	245 700
Central Energy Fund	-	208 616	-	-	-
Eskom	569 000	619 334	981 000	800 000	800 000
Industrial Development Corporation	-	59 602	65 000	70 000	70 000
Operating surpluses of accounts and enterprises	-	-	-	-	-
Reserve Bank	73 157	80 656	76 815	80 656	80 656
SA Broadcasting Corporation	-	1 929	1 780	1 780	1 780
Telkom	228 307	239 722	828 192	869 602	869 602
SAFCOL	30 000	31 500	30 000	31 500	31 500
Denel	-	10 410	-	-	-
Other	15 864	-	-	-	-
Rent on land	107 768	165 000	112 963	118 160	118 160
<b>Sales of goods and services</b>	<b>2 059 679</b>	<b>1 835 000</b>	<b>2 345 871</b>	<b>2 423 475</b>	<b>2 423 475</b>
Administrative fees	1 611 604	1 340 000	1 976 602	2 037 220	2 037 220
Other sales	448 075	495 000	369 269	386 255	386 255
<b>Transfer received</b>	<b>3 740</b>	<b>4 800</b>	<b>5 563</b>	<b>5 819</b>	<b>5 819</b>
<i>of which: foreign grants received</i>	-	-	-	-	-
<b>Fines and forfeitures</b>	<b>387 653</b>	<b>2 815 000</b>	<b>239 732</b>	<b>250 760</b>	<b>250 760</b>
<i>of which: foreign exchange amnesty proceeds</i>	-	2 400 000	-	-	-
<b>Sales of scrap, waste, arms and other used goods</b>	<b>145 914</b>	<b>170 000</b>	<b>149 157</b>	<b>156 018</b>	<b>156 018</b>
<b>Departmental revenue</b>	<b>5 520 366</b>	<b>8 502 401</b>	<b>7 454 064</b>	<b>8 585 070</b>	<b>8 585 070</b>
<b>Total current revenue</b>	<b>347 172 841</b>	<b>369 223 800</b>	<b>410 359 143</b>	<b>464 754 177</b>	<b>445 626 677</b>
<b>Flows due to transactions in assets and liabilities</b>	<b>681 564</b>	<b>645 690</b>	<b>725 936</b>	<b>734 983</b>	<b>734 983</b>
Sales of assets	26 187	130 000	70 008	73 229	73 229
Recoveries of loans and advances	655 377	515 690	655 928	661 754	661 754
<b>Main budget revenue</b>	<b>347 854 405</b>	<b>369 869 490</b>	<b>411 085 079</b>	<b>465 489 160</b>	<b>446 361 660</b>

## Estimate of revenue - National Revenue Fund

### Summary and medium term estimates

R million	2004/05	2005/06	2006/07		2007/08	2008/09
	Actual	Revised estimate	Before tax proposals	After tax proposals	Medium term estimates	
<b>Taxes on income and profits</b>	<b>195 219.1</b>	<b>228 730.0</b>	<b>260 740.5</b>	<b>245 815.5</b>	<b>272 315.0</b>	<b>306 560.0</b>
Persons and individuals	110 981.9	125 760.0	144 600.0	132 475.0	148 850.0	169 200.0
Companies	70 781.9	84 900.0	95 600.5	95 200.5	104 000.0	116 000.0
Secondary tax on companies	7 487.1	11 850.0	13 850.0	13 850.0	14 800.0	16 300.0
Tax on retirement funds	4 406.1	4 500.0	4 800.0	2 400.0	2 600.0	2 800.0
Other	1 562.2	1 720.0	1 890.0	1 890.0	2 065.0	2 260.0
<b>Taxes on payroll and workforce</b>	<b>4 443.3</b>	<b>5 000.0</b>	<b>5 600.0</b>	<b>5 600.0</b>	<b>6 150.0</b>	<b>6 800.0</b>
Skills development levy	4 443.3	5 000.0	5 600.0	5 600.0	6 150.0	6 800.0
<b>Taxes on property</b>	<b>9 012.6</b>	<b>11 120.0</b>	<b>13 462.0</b>	<b>8 922.0</b>	<b>12 023.0</b>	<b>12 845.0</b>
Other	9 012.6	11 120.0	13 462.0	8 922.0	12 023.0	12 845.0
<b>Domestic taxes on goods and services</b>	<b>131 982.8</b>	<b>152 370.0</b>	<b>171 537.0</b>	<b>171 884.5</b>	<b>184 775.6</b>	<b>203 366.0</b>
Value-added tax	98 157.9	115 000.0	132 200.0	131 200.0	142 000.0	157 000.0
Specific excise duties	13 066.7	14 599.0	15 246.0	16 615.5	16 950.6	18 230.0
Levies on fuel	19 190.4	20 700.0	21 800.0	21 800.0	23 400.0	25 500.0
Other levies	1 567.8	2 071.0	2 291.0	2 269.0	2 425.0	2 636.0
<b>Taxes on international trade and transactions</b>	<b>13 285.7</b>	<b>18 960.0</b>	<b>23 600.0</b>	<b>23 600.0</b>	<b>25 420.0</b>	<b>27 440.0</b>
<b>Stamp duties and fees</b>	<b>1 167.7</b>	<b>870.0</b>	<b>974.0</b>	<b>964.0</b>	<b>986.7</b>	<b>1 094.5</b>
<b>State miscellaneous revenue (SMR)</b>	<b>- 130.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tax revenue (gross)</b>	<b>354 980.3</b>	<b>417 050.0</b>	<b>475 913.5</b>	<b>456 786.0</b>	<b>501 670.3</b>	<b>558 105.5</b>
<b>Less: SACU payments</b>	<b>-13 327.8</b>	<b>-14 144.9</b>	<b>-19 744.4</b>	<b>-19 744.4</b>	<b>-20 344.2</b>	<b>-22 450.5</b>
<b>Other revenue</b>	<b>6 201.9</b>	<b>8 180.0</b>	<b>9 320.1</b>	<b>9 320.1</b>	<b>10 676.9</b>	<b>11 436.0</b>
Departmental revenue	5 520.4	7 454.1	8 585.1	8 585.1	9 609.7	10 300.2
Sales of assets	26.2	70.0	73.2	73.2	76.5	95.8
Recoveries of loans and advances	655.4	655.9	661.8	661.8	990.7	1 040.0
<b>Main budget revenue</b>	<b>347 854.4</b>	<b>411 085.1</b>	<b>465 489.2</b>	<b>446 361.7</b>	<b>492 003.0</b>	<b>547 091.0</b>
Current revenue	347 172.8	410 359.1	464 754.2	445 626.7	490 935.8	545 955.2
Direct taxes	200 194.5	234 350.0	267 022.5	252 057.5	279 198.0	314 155.0
Indirect taxes	154 916.7	182 700.0	208 891.0	204 728.5	222 472.3	243 950.5
State miscellaneous revenue (SMR)	- 130.9	-	-	-	-	-
Departmental revenue & grants received	5 520.4	7 454.1	8 585.1	8 585.1	9 609.7	10 300.2
Less: SACU payments	-13 327.8	-14 144.9	-19 744.4	-19 744.4	-20 344.2	-22 450.5
Sales of assets	26.2	70.0	73.2	73.2	76.5	95.8
Recoveries of loans and advances	655.4	655.9	661.8	661.8	990.7	1 040.0