

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER 2243**

**DATE OF PUBLICATION: 13 NOVEMBER 2009**

**Dr D T George (DA) to ask the Minister of Finance:**

- (1) Whether the National Treasury has considered any proposals regarding the increase in taxation to fund the SA Broadcasting Corporation; if not, why not; if so, what are the relevant details;
- (2) whether he intends introducing measures to ensure efficient taxation administration of such a tax; if not, why not; if so, what measures?

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**REPLY:**

- (1) No. The current policy is to keep earmarked taxes to an absolute minimum as taxes not only limit the fiscal space available to government, but also tend to be inefficient from both revenue and expenditure perspective. There is generally more accountability in spending when an entity is reliant on a user charge rather than an earmarked tax. It is not prudent to encourage a proliferation of earmarked taxes.
- (2) No. Such a tax is not under consideration at this stage by the National Treasury.