

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER 1151 [NW1242E]
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Dr S M van Dyk (DA) to ask the Minister of Finance:

Whether he intends giving tax relief to consumers who (a) purchase electricity-saving equipment and (b) install private electricity generators for (i) domestic and (ii) industrial use; if not, why not; if so, why were these measures not implemented as part of the 49m initiative?

NW1242E

REPLY:

No new tax policy announcements can be expected except on Budget Day, or when making public the annual tax legislation. If it is not in the 2011 Budget or in previous Budgets and related legislative documents like the tax or revenue laws amendment bills, then I will not comment on whether I intend to make such proposals in the future. I will not comment on (a) and (b), but would like to point out the following programmes that are currently available to (i) domestic households and (ii) business users.

- (i) There is currently an Energy Efficiency and Demand Side management Programme for the rollout of energy efficiency measures in domestic households. Covering the 2008/09 to 2011/12 fiscal years, R1.149 billion grant is made available to municipalities and Eskom for this programme to improve energy efficiency. The exact allocations are as follows:

Department of Energy: Programme Energy Regulation (in Rmillion)				
Rmillion	2008/9	2009/10	2010/11	2011/12
Municipalities	170	75.5	108.9	118.8
ESKOM		175	220	280

- (ii) With regard to industry, there is currently the industrial policy tax incentive (refer to Government Gazette 33385 of 23 July 2010) which offers additional tax deductions for industrial projects that meet certain criteria, including energy efficiency. In addition, following an announcement made in the 2009 Budget, businesses can qualify for deductions for income tax purposes if they demonstrate the achievement of energy efficiency savings. The implementation of the incentive is subject to regulations to be gazetted by the Department of Energy which will set out the administrative process for claiming the allowance.