

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 853 [NW1060E]**

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

What (a) number of companies and businesses in each province have made use of and/or benefited from the tax deferral measures announced on 23 April 2020 and (b) was the Rand value of the tax deferrals in each province?

NW1060E

REPLY:

- (a) 8 957 taxpayers requested PAYE Tax Deferments thus far and 4 taxpayers requested deferrals of excise duties.
- (b) The rand value for the PAYE Tax Deferments is R334m.

Province	Client Volume	PAYE Deferment Value
EASTERN CAPE	486	11 103 539
FREE STATE	222	4 407 112
KWA-ZULU NATAL	1 011	28 802 666
LIMPOPO	99	2 545 427
MPUMALAMGA	215	6 936 017
NORTH WEST	133	2 449 466
NORTHERN CAPE	100	1 465 223
WESTERN CAPE	2 292	70 086 045
GAUTENG	4 399	206 790 156
Grand Total	8 957	334 585 650

Deferral for the payment of excise duties on alcoholic beverages and tobacco products

Excise duties on alcoholic beverages and tobacco products are payable by manufacturers and the liability for excise duty is assessed and collected on a Duty at Source (DAS) basis - i.e. as close as possible to the point of domestic manufacture when

goods achieve their excisable character or the point of importation of similar excisable products.

The liability to account for excise duties and the payment thereof therefore rest with the manufacturer with payment periods following the end of the accounting month ranging from 30 to 130 days depending on the product and the period between the time of manufacture and final sale.

The outbreak of the COVID-19 pandemic resulted in the President declaring a national state of disaster and instituting a nation-wide lockdown with effect from Thursday, 26 March 2020. As a result, the sale of alcoholic beverages and tobacco products was first restricted and has since been prohibited.

In order to minimise cash flow difficulties for the manufacturers of alcoholic beverages and tobacco products, the revised Disaster Management Tax Relief Bill, 2020 proposes that the manufacturers in these industries continue to submit their excise duty accounts on time but that the payments due to SARS be deferred for a period of 90 days without incurring interest or penalties.

Manufacturers will qualify for such deferment provided they have no outstanding excise accounts or payments unless an arrangement has been made for such payments. The proposed deferral, as set out in the proposed amendments to Rule 19A.11 to the Customs and Excise Act No. 91 of 1964, will apply to payments due in the months of May and June and will be for a period of 90 days.

The table below provides the detail of tax deferral measures approved to date in this regard.

Table A: Tax deferral measures relating to the payment of excise duties on alcoholic beverages and tobacco products

Province	Taxpayers Approved	Amounts deferred
Gauteng	1	R546 000 000
KwaZulu Natal	1	R933 000 000
Western Cape	2	R1 073 659 864