

## **MEDIA STATEMENT**

## TECHNICAL ADJUSTMENT TO THE COMPOSITION OF THE FUEL LEVY RATES ANNOUNCED IN THE 2019 BUDGET

In the 2019 Budget the Minister of Finance announced that the general fuel levy on petrol and diesel would be increased by 15c/l from 3 April 2019, and a carbon tax component on petrol and diesel would be implemented alongside the introduction of the carbon tax.

This adjustment will include a technical correction to fully align with the methodology in the recently promulgated Carbon Tax Act No 15 of 2019, and will be effective from 5 June 2019. The carbon tax on fuel will be decreased by 2 c/l to 7 c/l for petrol and to 8 c/l for diesel, and the general fuel levy will correspondingly be increased by 2 c/l. The total fuel levy adjustment will therefore remain the same as per the announcement in the 2019 Budget.

The carbon tax on fuel will be implemented as an add-on to the general fuel levy, and the South African Revenue Service will publish amendments to the Notes in Part 5A of Schedule No.1 to the Customs and Excise Act, 1964, to give effect to these adjustments.

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