



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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Amendment: 4

CONTRACT RT14-2016: SUPPLY AND DELIVERY OF TOILET PAPER, PAPER TOWELS, FACIAL TISSUES, PAPER SERVIETTES, DISPOSABLE WIPES, DRESSING TOWELS, DRAW SHEETS, MEDICAL UNDERPADS, BABY AND ADULT DIAPERS AND INCONTINENCE PADS TO THE STATE FOR THE PERIOD 1 APRIL 2016 TO 31 MARCH 2019.

VALUE ADDED TAX (VAT) ADJUSTMENT TO 15%

The effective date is 01 April 2018

The Minister of Finance in his 2018 budget speech has introduced tax proposals designed to generate additional tax revenue for 2018/19 financial year. One of the tax proposals is an increase in the value-added tax (VAT) rate from 14% to 15%.

The National Treasury has therefore adjusted contract prices with the latest VAT value of 15% accordingly.

In the event that an incorrect price adjustment was made during the calculation of the contract price adjustment to take into account the new rate of 15%, the state reserves the right to adjust the price in accordance with the correct calculation. Recovery of any over or under payment as a result of the application of an incorrect adjustment will be dealt with by the supplier and the relevant end-user department.

Yours faithfully

DORAH KGOTSE
DIRECTOR: TRANSVERSAL CONTRACTING
OFFICE OF THE CHIEF PROCUREMENT OFFICER

DATE: 05/04/2018