

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER 1743

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

- (1) Whether the National Treasury has any proposals on the implementation of a local business tax; if not, why not; if so, what are the relevant details;
- (2) whether a proposal to offset this tax against cuts in other taxes is being considered; if not, why not; if so, what are the relevant details?

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REPLY:

- (1) The National Treasury generally only makes tax announcements on Budget Day. No such announcement was made in the 2009 Budget because the National Treasury has no such proposal on the implementation of a local business tax. It is not possible to provide reasons for why we do not have a specific tax proposal but we can provide reasons for any tax when we do. We are still considering how best to replace the RSC levy that was abolished in 2006, and have had an informal request from SALGA (the South African Local Government Association) to consider the implementation of a Local Business Tax as a replacement.
- (2) Any announcement in this regard will be made during the Budget 2010/11 process.