

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 2625 [NW3113E]
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2625. Dr W G James (DA) to ask the Minister of Finance:

Whether his department intends to treat institutions that offer English as a foreign language as educational bodies and, therefore, zero-rated for the purposes of value-added tax; if not, what is the position in this regard?

NW3113E

REPLY:

No department has discretion on zero-rating, as any tax or exemption is generally determined by our tax legislation. Educational services are exempt (not zero-rated) from value added tax in terms of the law. Whether certain educational services (or particular institutions) qualify for such an exemption in terms of the Value Added Tax Act (Act No. 89 of 1991) is set out in section 12(h) of the said Act. A request for a VAT ruling relating to specific instances – providing all the necessary details as required in terms of section 79 of the Tax Administration Act No.28 of 2011- should be forwarded to VATrulings@sars.gov.za