



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

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## INVITING TECHNICAL TAX PROPOSALS FOR ANNEXURE C OF THE 2016 BUDGET REVIEW PROPOSALS

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The National Treasury invites taxpayers, tax practitioners and members of the public to submit any technical proposals to improve or correct current tax legislation, including the closing of loopholes and addressing of unintended anomalies. Proposals received will be considered for possible inclusion in Annexure C of the 2016 Budget Review, released as part of the 2016 Budget Review.

The Minister of Finance generally only makes tax announcements in his Budget Speech. The Budget Review provides more details, including on other matters for the upcoming tax legislation. Major tax proposals are contained in one of the chapters (normally Chapter 4), and minor or miscellaneous proposals are generally contained in an annexure called Annexure C of the Budget Review.

The proposals requested in this invitation are for Annexure C only, and not for any major tax proposals, and hence must be limited to unintended anomalies, loopholes and technical matters requiring correction in existing tax legislation. Any other correspondence on a tax policy matter or major tax proposal should be addressed (under a separate cover) to Mr Ismail Momoniat, Deputy Director General: Tax and Financial Sector Policy; email: [ismail.momoniat@treasury.gov.za](mailto:ismail.momoniat@treasury.gov.za).

### II. Criteria

Proposed Annexure C changes must fit within the current tax policy framework. It should be noted that Annexure C type proposals are not intended to have a significant revenue impact. We request that only issues that are of main concern and priority should be submitted. Please keep submissions brief and limit to a few key issues. Only critical matters will be considered.

### III. Format

Please submit your proposals in the required format so that we can properly assess their merits and importance vis-à-vis other proposals. More specifically, each proposal should contain:

- (i) the legal nature of the problem,
- (ii) a “detailed” factual description of the relevant transaction, and
- (iii) the nature of the businesses impacted by the problem.

All proposals should be grouped in topic areas for ease of review. These groupings should be divided as follows: (i) income tax - individuals, employment and savings, (ii) income tax - domestic business, (iii) income tax – international, and (iv) other taxes (e.g. value-added tax, mineral and petroleum royalty, etc.).

#### **IV. Timing and workshop**

Annexure C proposals should be submitted by no later than 30 November 2015.

To facilitate the review process, **workshops are planned on 8 and 9 December 2015** to clarify issues raised in the written submissions and assist in the prioritisation of issues. Upon completion, recommendations for Annexure C will be submitted to the Minister of Finance for his consideration. Major proposals received will not be the subject of discussion at these workshops.

It should be noted that the mere discussion of proposals received before the Budget is no guarantee that the proposals discussed will eventually be included in the Budget Review. The final decision to include proposals is the prerogative of the Minister of Finance and no further correspondence will be entered into regarding the Minister's response to proposals received.

Commentators' formal responses to the Minister's tax proposals normally follow after the Budget, when hearings are held in Parliament in respect of the Budget, as well as the legislation to give effect to the proposals.

Please forward written submissions to Nombasa Nkumanda at [nombasa.nkumanda@treasury.gov.za](mailto:nombasa.nkumanda@treasury.gov.za) and Adele Collins at [acollins@sars.gov.za](mailto:acollins@sars.gov.za) by the close of business on **30 November 2015**.

**Issued by National Treasury**

**Date: 9 November 2015**