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AMENDMENTS TO THE CARBON OFFSET REGULATIONS PRESCRIBING CARBON OFFSETTING IN TERMS OF SECTION 19(c) OF THE CARBON TAX ACT

1 AUGUST 2024

Amendments to the Carbon Offset Regulations prescribing carbon offsetting in terms of section 19(c) of the Carbon Tax Act (Act No 15 of 2019), are hereby published for comment.

Comments must be submitted to National Treasury depository at: 2024AnnexCProp@treasury.gov.za or CarbonTax@Treasury.gov.za and SARS at acollins@sars.gov.za by 31 August 2024

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SCHEDULE

Definitions

1. In these Regulations, “**the Regulations**” means the regulations published by Government Notice No. R.1556 of 29 November 2019 as well as Regulations published by Government Notice No. R. 595 of 8 July 2021.

Amendment of regulation 4 of the Regulations

2. Regulation 4 of the Regulations is hereby amended by the substitution for subregulation (1)(a) and (1)(b) of the following subregulation:

“(1) A taxpayer conducting an activity in respect of—

- (a) energy in respect of any power purchase agreement as defined in the Electricity Regulations on New Generation Capacity made by the Minister of Energy under section 35 (4) of the Electricity Regulation Act, 2006 (Act No. 4 of 2006) published by Government Notice 721 of 5 August 2009 in respect of the IPP bid programme as defined in those regulations that was signed on or before 9 May 2013 with contracted capacity exceeding **[15]** 30 Megawatt, with a cost equal to or lower than R1.09 per kilowatt hour;
- (b) renewable energy generated in respect of a technology with an installed capacity exceeding **[15]** 30 Megawatt, with a cost equal to or lower than R1.09 per kilowatt hour;”

Short title

3. These Regulations are called the Regulations under section 19(c) of the Carbon Tax Act and are deemed to have come into operation on 1 January 2024.