Government Gazette
Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID AFRIKA

Vol. 640 | 4 October / Oktober 2018 | No. 41957

ISSN 1682-5843

41957

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NOTICE 617 OF 2018

MR NYIKO FLOYD SHIVAMBU, MP

NOTICE OF INTENTION TO INTRODUCE A PRIVATE MEMBER'S BILL AND INVITATION FOR COMMENT ON THE DRAFT ANTI-AVOIDANCE OF TAX BILL, 2018

Mr Nyiko Floyd Shivambu, MP, acting in accordance with section 73(2) of the Constitution of the Republic of South Africa, 1996, intends to introduce the Anti-Avoidance of Tax Bill, 2018, in Parliament. An explanatory summary of the Bill is hereby published in accordance with Rule 276(1)(c) of the Rules of the National Assembly (9th Edition).

We live in an era where powerful Transnational Corporations ("TNCs") are operating within, and themselves creating, a "financialised" and globalised capitalism where profits can be shifted around the world in trade between fellow companies or so called "inter-related parties". Current economic policy and legislation in South Africa has allowed major South African corporations to list abroad, and has also allowed for the relaxation of capital controls.

As a consequence, TNC's are continuously planning and engaging in aggressive tax avoidance that is costing the country billions of rands in tax revenue. The Report of the High-Level Panel on Illicit Financial Flows from Africa found that between 1970 and 2008, South Africa lost R1.208 trillion ($81.8 billion) because of aggressive tax avoidance. Yet very few tax avoidance cases have been taken to court, as the current tax laws are outdated and do not account for the fact that the difference between illegal tax evasion and legal tax avoidance is more blurred than ever due to current economic policies and the financialization of the world economy. With companies engaging in transfer mispricing, tax avoidance, tax evasion, illicit financial flows, base erosion and profit shifting at the expense of the country, there is an urgent need to provide taxation legislation that is robust and up to date. The difference between illegal tax evasion and legal tax avoidance must be clearly delineated.

Money needed for housing, healthcare education, water, sanitation, roads, and state led development is leaving the country illegally under the guise of legal tax avoidance. The Anti-Avoidance of Tax Bill ("the draft Bill") aims to give the South African Revenue Services ("SARS") the necessary legal mechanisms to tackle aggressive and illegal tax avoidance. It is therefore necessary and urgent to replace the General Anti-Avoidance Rule ("GAAR") set out in sections 80A to 80L of the Income Tax Act, 1962 (Act No. 58 of 1962), with the draft Bill.

The draft Bill will:

- Improve the legal tools SARS has available, by legally compelling SARS to intervene against aggressive tax avoidance schemes;

- Legislate clear definitions and eliminate all legal loop hope holes and grey areas, as to what constitutes tax avoidance, and tax avoidance schemes;

- Introduce strong penalty regimes for companies that participate in aggressive tax avoidance schemes; and

- Repeal sections 80A to 80L of the Income Tax Act, 1962 (Act No. 58 of 1962) and amend sections 80M to 80T of that Act, where necessary.

Interested parties and institutions are invited to submit written representations on the proposed content of the draft Bill to the Speaker of the National Assembly within 30 days of the publication of this notice. Representations can be delivered to the Speaker, New Assembly Building, Parliament Street, Cape Town; mailed to Speaker, P O Box 15 Cape Town 8000, or emailed to speaker@parliament.gov.za and copied to gumanitk@gmail.com.

Copies of the Anti-Avoidance of Tax Bill, 2018 may, after introduction, be obtained from:
The Economic Freedom Fighters
PO Box 15, Cape Town, 8000
Attention: Mr Gumani Tshimomola
Telephone: 021 403 8868
E-mail: gumanitk@gmail.com

PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

NOTICE 618 OF 2018

MS HLENGIWE MKHALIPHI, MP

NOTICE OF INTENTION TO INTRODUCE A PRIVATE MEMBER'S BILL AND INVITATION FOR COMMENT ON THE DRAFT INSOURCING BILL, 2018

Ms Hlengiwe Mkhaliphi, MP acting in accordance with section 73(2) of the Constitution of the Republic of South Africa, 1996, intends to introduce the Insourcing Bill, 2018, in Parliament. An explanatory summary of the Bill is hereby published in accordance with Rule 276(1)*(c)* of the Rules of the National Assembly (9th Edition).

The South African government in all spheres, including State Owned Entities (SOE's) provides services to citizens, but in order to do so contracts third parties who provide these services and who bring their own employees to deliver these services. This includes, but is not limited to: cleaning services; security services; gardening services; municipal services; construction of buildings and infrastructure; maintenance of buildings and infrastructure; IT services; catering services; auditing services; transport services; administration services, and healthcare related services. All these services will be required on a recurring basis, and there will continue to be a need for government to provide them for an indefinite period of time.

Post-1994 the South African government embarked on a programme of wholesale outsourcing of services and functions, required or provided by government. Emphasising the principles of de-bureaucratisation of the public sector and local government; reforming and strengthening management practices in government; decentralising decision making; and outsourcing of all government functions where possible.

These reforms created many administrative problems, but to highlight two: (1) Prices for contracts are often purposefully inflated through manipulation of the tendering system. This underlies the majority of corrupt activities that are currently taking place in all spheres of government, including in SOE's. It has further to a large extent collapsed the ability of the state to deliver the necessary services to the people of South Africa; (2) Exploitation of the workers who are employed by the service providers to deliver these services – services that the state will for the foreseeable future be required to provide on a recurring basis. By contracting third parties who provide outsourced workers, the government in all spheres, including SOE's, is often making use of persons whose labour is exploited, whose employment is on a casual basis, providing minimal job security, whose labour is under-paid, who receives minimal or no benefits and who are accordingly not properly protected by labour legislation.

The Insourcing Bill, 2018 ("the draft Bill"), seeks to provide a comprehensive legislative mechanism to bring an end to these problems and challenges, brought about by the outsourcing of services and functions provided by government.

The draft Bill will require all government departments and State-Owned Entities (SOE)'s, at national, provincial and local level to insource all services that they provide on a recurring basis. This will result in a prohibition on employing anyone who provides services for government or SOE's on a recurring basis, through a third party.

Interested parties and institutions are invited to submit written representations on the proposed content of the draft Bill to the Speaker of the National Assembly within 30 days of the publication of this notice. Representations can be delivered to the Speaker, New Assembly Building, Parliament Street, Cape Town; mailed to Speaker, P O Box 15 Cape Town 8000, or emailed to speaker@parliament.gov.za and copied to gumanitk@gmail.com.

Copies of the Insourcing Bill, 2018 may, after introduction, be obtained from:
The Economic Freedom Fighters
PO Box 15, Cape Town, 8000
Attention: Mr Gumani Tshimomola
Telephone: 021 403 8868
E-mail: gumanitk@gmail.com

PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

NOTICE 619 OF 2018

MS VERONICA NTOMBOVUYO MENTE, MP

NOTICE OF INTENTION TO INTRODUCE A PRIVATE MEMBER'S BILL AND INVITATION FOR COMMENT ON THE DRAFT LIQUOR AMENDMENT BILL, 2018

Ms Veronica Ntombovuyo Mente, MP, acting in accordance with section 73(2) of the Constitution of the Republic of South Africa, 1996, intends to introduce the Liquor Amendment Bill, 2018, in Parliament. An explanatory summary of the Bill is hereby published in accordance with Rule 276(1)(*c*) of the Rules of the National Assembly (9th Edition).

The prevalence of alcohol induced dangers to society is flourishing, and many households are suffering as a result of alcohol abuse. Young people in particular, are being socialised into accepting alcohol use and abuse as an inalienable part of their existence. The normalisation of alcohol use will have long lasting deleterious effects on society. While not seeking to be a nanny State, there should be deliberate attempts by the State to counter the normalisation of alcohol usage.

The Liquor Amendment Bill, 2018 ("the draft Bill"), will therefore seek to provide a comprehensive legislative mechanism through which the State can ban the advertisement of alcohol and liquor. More specifically, the objectives of the draft Bill will be to:

- amend section 9 of the Liquor Act, 2003 (Act No. 59 of 2003), so as to ban the advertising of alcohol and liquor from all forms of media, including TV, radio, print and online newspapers;
- ban the advertising of alcohol and liquor from billboards and pamphlets; and
- include a mandatory provision that all alcohol and liquor products must include warnings about the dangers of alcohol and liquor use.

Interested parties and institutions are invited to submit written representations on the proposed content of the draft Bill to the Speaker of the National Assembly within 30 days of the publication of this notice. Representations can be delivered to the Speaker, New Assembly Building, Parliament Street, Cape Town; mailed to the Speaker, P O Box 15 Cape Town 8000, or emailed to speaker@parliament.gov.za and copied to gumanitk@gmail.com

Copies of the Liquor Amendment Bill, 2018, may, after introduction, be obtained from:
The Economic Freedom Fighters
PO Box 15, Cape Town, 8000
Attention: Mr Gumani Tshimomola
Telephone: 021 403 8868
E-mail: gumanitk@gmail.com

WARNING!!!

To all *suppliers and potential suppliers* of goods to the Government Printing Works

The Government Printing Works would like to warn members of the public against an organised syndicate(s) scamming unsuspecting members of the public and claiming to act on behalf of the Government Printing Works.

One of the ways in which the syndicate operates is by requesting quotations for various goods and services on a quotation form with the logo of the Government Printing Works. Once the official order is placed the syndicate requesting upfront payment before delivery will take place. Once the upfront payment is done the syndicate do not deliver the goods and service provider then expect payment from Government Printing Works.

Government Printing Works condemns such illegal activities and encourages service providers to confirm the legitimacy of purchase orders with GPW SCM, prior to processing and delivery of goods.

To confirm the legitimacy of purchase orders, please contact:

Renny Chetty (012) 748-6375 (Renny.Chetty@gpw.gov.za),

Anna-Marie du Toit (012) 748-6292 (Anna-Marie.DuToit@gpw.gov.za) and

Siraj Rizvi (012) 748-6380 (Siraj.Rizvi@gpw.gov.za)

Printed by and obtainable from the Government Printer, Bosman Street, Private Bag X85, Pretoria, 0001
Contact Centre Tel: 012-748 6200. eMail: info.egazette@gpw.gov.za
Publications: Tel: (012) 748 6053, 748 6061, 748 6065