



The Davis Tax Committee

Hatfield Gardens (Block A)
333 Grosvenor Street,
Hatfield, Pretoria, 0083
E-mail: taxcom@sars.gov.za
Website: www.taxcom.org.za

MEDIA STATEMENT:

**RELEASE OF DAVIS TAX COMMITTEE FIRST INTERIM REPORT ON VAT
FOR PUBLIC COMMENT**

7 July 2015

Given its Terms of Reference and the nature of its work, The Davis Tax Committee (DTC) submitted a First Interim Report on VAT to the Minister of Finance on 30 December 2014. The VAT Sub-Committee consulted widely and took into account 23 submissions from the public in producing the report. The Minister subsequently authorised the DTC to release the report for public comment.

In essence, the VAT report covers the following areas:

1. Taxpayer compliance: The tax gap
2. Structural features: Zero-rating
3. Structural features: Dual (multiple) rates
4. Structural features: Exemptions
5. Structural features: Place of supply rules
6. Structural features: E-Commerce
7. Macroeconomic impact of raising VAT

Coupled with the DTC VAT report is an International Monetary Fund (IMF) report that was commissioned by the DTC. The title of the IMF report is: *Revenue Administration Gap Analysis Program – The Value-Added Tax Gap* (in South Africa).

Both reports are now available on the DTC website, www.taxcom.org.za. Comments on the DTC VAT report can be sent by e-mail to taxcom@sars.gov.za or by post to PO Box 2344, Brooklyn Square, Pretoria, 0075. The closing date for comments is **30 September 2015**. The IMF will also publish its report on its website in due course.

Questions relating to this Media Statement can be directed to the Secretariat for the Davis Tax Committee on the telephone number 012 432 9390.