

Fairplay appeals for additional time for VAT expert panel

FairPlay is appealing to the Minister of Finance, Nhlanhla Nene, to allow additional time for the panel of experts reviewing the list of VAT zero-rated food items to undertake a thorough investigation, including public consultation.



© rawpixel via [123RF.com](https://www.123RF.com)

“We welcome the appointment of the panel, and their terms of reference, but are concerned at the time pressure under which they will work according to the timeline announced by the minister,” said FairPlay founder Francois Baird. “If the panel is going to do the thorough review that the public expects of them, they have a near-impossible task to complete their work by 20 June,” Baird said.



Minister appoints panel to review zero-rated products

25 Apr 2018



Timetable too demanding

FairPlay is involved in the “VAT-free chicken” campaign to have chicken added to the list of zero-rated items because chicken is the major source of protein for South Africa’s poor. FairPlay is a not-for-profit trade movement that fights for jobs and seeks an end to predatory trade practices. It has highlighted the job losses caused by dumped chicken imports in South Africa. Baird said the timetable set by the Minister was too demanding.



FairPlay anti-dumping movement to address IGD

4 May 2017



It requires the panel to call for submissions until 11 May, prepare empirical work by 15 May while simultaneously compiling a summary of submissions, and then to hold workshops with commentators from 18 to 23 May. The panel then has to submit a report to the Davis Tax Committee by 20 June, and the Davis committee will submit a report to the Minister of Finance by 30 June.

“This is too rushed a process,” Baird said. “This is an important matter which requires rigorous and constructive public engagement, and then careful consideration of the issues before the panel. These include evaluation of items currently zero-rated, the consideration of additional zero-rated items, and consideration of other mitigatory measures, including how best to target poor and lower-income households.”

Planned tax legislation

The pressure for the committee to deliver an initial report “with all the options and recommendations” to the Davis committee and then the Minister of Finance by 30 June is because of planned tax legislation. The panel’s schedule would give the cabinet time to consider the recommendations for inclusion in draft tax legislation that will be published in July.

“I would like the minister to explain the reason for this compressed timetable, which is likely to lead to hasty and possibly cursory examination of important aspects,” Baird said.

“The chair of the independent panel of experts, Prof Ingrid Woolard from the University of Cape Town, has admitted that the time frame is extremely tight, and it would definitely benefit the expert panel to have some additional time to plan and complete their work,” Baird said.

For more, visit: <https://www.bizcommunity.com>