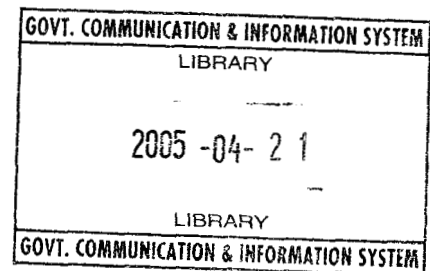


REPUBLIC OF SOUTH AFRICA

**PORTFOLIO COMMITTEE AMENDMENTS
TO
DIVISION OF REVENUE BILL**

[B 8—2005]

(As agreed to by the Portfolio Committee on Finance (National Assembly))



[B SA—20051

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AMENDMENTS AGREED TO

DIVISION OF REVENUE BILL [B 8—2005]

CLAUSE 1

On page 4, in line 25, to omit “indicate” and to substitute “indicates”

2. On page 4, in line 33, to omit “the” and to substitute “a”.
3. On page 5, in line 21, to omit “to” and to substitute “on behalf of”.

CLAUSE 4

On page 6, in line 16 to omit “within” and to substitute “in”.

CLAUSE 7

1. On page 7, in line 18, to omit “that contains” and to substitute “specifying”.
2. On page 7, in line 20, to omit “that contains” and to substitute “specifying”.
3. On page 7, in line 20, to omit “identified provincial programmes or departments” and to substitute “provinces”.

CLAUSE 8

1. On page 7, in line 36, to omit “that contains” and to substitute “specifying”.
2. On page 7, in line 38, to omit “that contains” and to substitute “specifying”.
3. On page 7, in line 39, to omit “that contains” and to substitute “specifying”.

CLAUSE 9

1. On page 8, in line 3, after “or” to insert “of”.
2. On page 8, in line 23, after “Act” to insert “in respect of municipal services”.
3. On page 8, from line 29, to omit paragraph *(d)* and to substitute:

(d) the National Treasury to assist in resolving disputes between the parties, including by issuing directives on pricing and service delivery standards in the event of any dispute on these matters; and
4. On page 8, in line 32, after “Part 2” to insert “of Chapter 8”.

5. On page 8, in line 34, after “agreement” to insert “in respect of municipal services”.
6. On page 8, in line 39, to omit “bulk resource or municipal service” and to substitute “bulk resource, municipal service or function”.
7. On page 8, in line 40, to omit “the”.
8. On page 8, in line 41, to omit “the” and to substitute “a”.
9. On page 8, in line 50, after “month;” to insert “and”.

CLAUSE 13

1. On page 9, in line 30, to omit “The” and to substitute “A”
2. On page 9, in line 30, after “that” to insert “its”.
3. On page 9, in line 40, to omit “such departments” and to substitute “any such department”.
4. On page 9, in line 48, to omit “of or projected” and to substitute “of any or any projected”.
5. On page 9, in line 50, after “with” to insert “the”.
6. On page 9, in line 51, to omit “Treasury” and to substitute “Treasury’s”.

CLAUSE 14

1. On page 10, in line 10, after “and” to insert “the”.
2. On page 10, in line 10, after “Treasury;” to insert “and”.
3. On page 10, in line 13, after “and” to insert “the”.
4. On page 10, in line 20, to omit “where” and to substitute “if”
5. On page 10, in line 32, to omit paragraph (b).

CLAUSE 15

1. On page 10, in line 43, to omit “security” and to substitute “assistance”.
2. On page 10, in line 45, to omit “(6)” and to substitute “(4)”.
3. On page 10, in line 49, to omit “social assistance transfers and administration allocations” and to substitute:

Social Assistance Transfers and Social Assistance Administration
conditional allocations
4. On page 11, in line 2, to omit “security” and to substitute “assistance”
5. On page 11, in line 16, to omit “by no later than 30 June 2005” and to substitute “not later than seven days after this Act takes effect”.

CLAUSE 16

1. On page 12, in line 2, after “and” to insert “the”.

CLAUSE 17

1. On page 12, in line 14, to omit “national transferring officer” and to substitute “transferring national officer”.
2. On page 12, in line 17, to omit “subsection (1)” and to substitute “paragraph”.
3. On page 12, in line 19, to omit “national transferring officer” and to substitute “transferring national officer”.
4. On page 12, in line 20, to omit “national transferring officer” and to substitute “transferring national officer”.

CLAUSE 19

1. On page 13, from line 26, to omit subparagraph (iii) and to substitute:
(iii) is in accordance with sections 12(1) and 21(3).
2. On page 13, in line 30, after “months” to insert “in respect of a province and six months in respect of a municipality”.
3. On page 13, in line 31, to omit “has” and to substitute “have”
4. On page 13, in line 33, to omit “the”

CLAUSE 20

1. On page 14, in line 3, to omit “national transferring officer” and to substitute “transferring national officer”.
2. On page 14, in line 4, to omit “by 30 April 2005” and to substitute “within 14 days after this Act takes effect”.
3. On page 14, in line 20, after “withholding” to insert “or stopping”
4. On page 14, after line 23, to omit subsection (6) and to substitute:

(6) The transferring national officer must evaluate the performance of programmes funded or partially funded by the allocation and submit such evaluations to the National Treasury within four months in respect of a province and six months in respect of a municipality after the end of the financial year.

CLAUSE 21

1. On page 14, in line 51, to omit “National Treasury” and to substitute “relevant provincial treasury”.
2. On page 14, in line 54, to omit subsection (4) and to substitute:

(4) The receiving officer must report against programmes funded or partially funded by a Schedule 4 allocation against the relevant framework in its annual financial statements and annual report.

3. On page 14, in line 59, after “financial year” to insert “and where relevant the municipal financial year”.
4. On page 14, in line 60, to omit “national transferring officer” and to substitute “transferring national officer”.

CLAUSE 22

1. On page 15, in line 1, to omit “5, 6 and 7” and to substitute “5 and 6”.
2. On page 15, in line 16, to omit “or variations effected”.
3. On page 15, in line 26, after “financial year” to insert “and where relevant the municipal financial year”.
4. On page 15, in line 27, to omit “national transferring officer” and to substitute “transferring national officer”.

CLAUSE 23

1. On page 15, in line 32, to omit “20” and to substitute “15”

CLAUSE 24

1. On page 15, in line 56, before “Municipal” to insert “Local Government:”.
2. On page 16, from line 14, to omit subsection (5) and to substitute:

(5) Where a function for which a province receives a Schedule 5 allocation is assigned to a municipality during a financial year and the province has not appropriated funds to that municipality for the performance of that function, the province must transfer such funds to the municipality in terms of section 226(3) of the Constitution as a direct charge against that province’s Revenue Fund.

CLAUSE 25

1. On page 16, in line 19, to omit “accounting officers and”
2. On page 16, in line 20, to omit “accounting officer of” and to substitute “head of the department in”.
3. On page 16, in line 23, to omit “this allocation” and to substitute “Schedule 4 allocations”.
4. On page 16, in line 25, to omit “the allocation” and to substitute “these allocations”.
5. On page 16, in line 28, after “must” to insert “in respect of allocations to municipalities other than allocations made in terms of this Act”.

6. On page 16, in line 32, to omit “subsection (1)” and to substitute “paragraph”.
7. On page 16, in line 39, after “its” to insert “adjustments”

CLAUSE 26

1. On page 16, from line 55, to omit subsection (1) and to substitute:

(1) A Cabinet member responsible for a function falling within Schedule 4 to the Constitution may determine a monitoring system for the performance by provinces and, if applicable, by municipalities of that function, and make recommendations at any stage to a province or municipality on improving performance of the function and compliance with national legislation applicable to the function.

2. On page 17, from line 1, to omit subsection (2) and to substitute:

(2) If a province or municipality performing a function referred to in subsection (1) fails to meet any applicable national targets and standards for the performance of the function, the relevant Cabinet member may take such steps as may be necessary to assist the province or municipality in meeting those targets or standards, including recommendations to that province or municipality on—

- (a) how to improve its performance;
- (b) organisational and administrative arrangements for a provincial department or other provincial organ of state or a municipality;
- (c) human resource arrangements, particularly where a large number of personnel is employed;
- (d) human resource development, training and management;
- (e) governance arrangements to prevent or limit corruption and wastage; and
- (f) agency arrangements for delivering or managing any of the core responsibilities pertaining to that function.

3. On page 17, in line 14, to omit “service delivery performance” and to substitute “performance of that function”.

CLAUSE 28

1. On page 18, in line 16, after “Schedule” to insert “4B,”.
2. On page 18, in line 19, to omit “(c)” and to substitute “(2)”.
3. On page 18, in line 22, to omit “(2)” and to substitute “(3)”.

CLAUSE 30

1. On page 18, in line 43, to omit “by 30 April 2005” and to substitute “within seven days after this Act takes effect”.
2. On page 18, in line 47, to omit “subsection (1)” and to substitute “paragraph”.
3. On page 18, in line 51, to omit “national transferring officer” and to substitute “transferring national officer”.
4. On page 18, in line 52, to omit “31 May 2005” and to substitute “30 April 2005”.

5. On page 18, in line 53, to omit “national transferring officer” and to substitute “transferring national officer”.

CLAUSE 31

1. On page 19, from line 18, to omit subsection (2).

CLAUSE 32

1. On page 19, from line 42, to omit subsection (1) and to substitute:

(1) Subject to subsection (2), a transferring national officer may, in respect of an allocation set out in Schedule 5 or 6, amend a payment schedule as a result of the withholding or stopping of an allocation in terms of this Act.

CLAUSE 33

1. On page 20, in line 14, to omit “its” and to substitute “the”.
2. On page 20, in line 15, to omit “to it”
3. On page 20, in line 29, to omit “national transferring officer” and to substitute “transferring national officer”.

CLAUSE 34

1. On page 20, from line 32, to omit “”, subject to section 216 of the Constitution and, in respect of a municipality, also sections 38 and 39 of the Municipal Finance Management Act,”.
2. On page 20, from line 35, to omit paragraph (a) and to substitute:

(a) a Schedule 4, 5 or 6 allocation to a province or municipality on the grounds of a persistent and material non-compliance with the provisions of this Act, or a condition to which the allocation, as provided for in the relevant framework, is subject; or.
3. On page 20, from line 41, to omit subsection (2) and to substitute:

(2) The National Treasury must comply with section 33(2), and in respect of a municipality, also sections 38 and 39 of the Municipal Finance Management Act, when it intends to Act in terms of subsection (1).
4. On page 20, in line 46, to omit “accordance with” and to substitute “terms of”.

CLAUSE 36

1. On page 21, in line 7, after “treasury” to insert “or municipality”.
2. On page 21, in line 10, to omit “provincial treasury” and to substitute “province or municipality”.
3. On page 21, from line 11, to omit “the budget of the receiving department” and to substitute “its budget”.

CLAUSE 37

1. On page 21, in line 28, to omit “subsection (2)” and to substitute “paragraph”.
2. On page 21, in line 32, to omit “15 November 2005” and to substitute “1 October 2005”.
3. On page 21, in line 32, after “approval the” to insert “draft”.
4. On page 21, in line 37, to omit “during” and to substitute:
prior to the start of the next

CLAUSE 40

1. On page 22, in line 11, to omit “it and” and to substitute “that accounting officer and the”.

CLAUSE 44

1. On page 23, from line 10, to omit “national, provincial or municipal” and to substitute “national or provincial”.
2. On page 23, in line 16, to omit “contemplated in” and to substitute “granted in terms of”.

CLAUSE 46

Clause rejected.

SCHEDULE 3

1. On page 30, to change the name of the following municipality:
BNP364 “Mookgapong” to “Mookgaphong”

SCHEDULE 6A

1. On page 47, to omit “6A” from heading and to substitute “6”