

Please note that most Acts are published in English and another South African official language. Currently we only have capacity to publish the English versions. This means that this document will only contain uneven numbered pages as the other language is printed on even numbered pages.



STAATSKOERANT

VAN DIE REPUBLIEK VAN SUID-AFRIKA

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GOVERNMENT GAZETTE

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CAPE TOWN, 13 JULY 1988

KANTOOR VAN DIE STAATSPRESIDENT

STATE PRESIDENT'S OFFICE

No. 1393.

13 Julie 1988

No. 1393.

13 July 1988

Hierby word bekend gemaak dat die Staatspresident sy goedkeuring geheg het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word:—

It is hereby notified that the State President has assented to the following Act which is hereby published for general information:—

—No. 88 van 1988: Finansiewet, 1988.

No. 88 of 1988: Finance Act, 1988.

GENERAL EXPLANATORY NOTE:

[] Words in bold type in square brackets indicate omissions from existing enactments.

_____ Words underlined with solid line indicate insertions in existing enactments.

ACT

To provide for the payment into the State Revenue Fund of certain amounts of money which represent credit balances in the Black Transport Services Account and the Coloured Transport Account, respectively; appropriate an amount of money for the Special Defence Account; charge the State Revenue Account with certain unauthorized expenditure in respect of the financial years 1984-85 and 1985-86; amend the Land Bank Act, 1944, so as to supplement the powers of the Land and Agricultural Bank of South Africa relating to the raising of funds; amend the South African Reserve Bank Act, 1944, so as to empower the South African Reserve Bank to coin or cause coins to be coined and for that purpose to form companies or to acquire interests in existing companies; amend the Level Crossings Act, 1960, so as to provide for an increase in contributions towards the Level Crossings Elimination Fund; amend the South African Mint and Coinage Act, 1964, so as to allow the transfer of the functions of the South African Mint to the South African Reserve Bank; amend the Railways and Harbours Pensions Act, 1971, and the Railways and Harbours Pensions for Non-Whites Act, 1974, so as to regulate the transferability of pension benefits of employees of the South African Transport Services who take service with the National Transport Corporation Limited established by section 2 of the National Transport Corporation Act, 1987 (South West Africa); amend the Exchequer and Audit Act, 1975, so as to provide for the conversion of a further portion of certain loans to the South African Transport Services into permanent capital and to bring the conditions of service of the Auditor-General relating to retirement into conformity with those of other heads of department; and amend the Finance and Financial Adjustments Acts Consolidation Act, 1977, so as to abolish the Deposit Fund for Housing; and to provide for matters connected therewith.

(English text signed by the State President.)
(Assented to 6 July 1988.)

BE IT ENACTED by the State President and the Parliament of the Republic of South Africa, as follows:—

Payment into State Revenue Fund of certain amounts of money which represent credit balances in Black Transport Services Account and Coloured Transport Account, respectively

1. (1) Every amount of money which represents a credit balance, calculated as prescribed in subsection (2), in—

(a) the Black Transport Services Account established by section 7 (1) of the Black Transport Services Act, 1957 (Act No. 53 of 1957); and

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(b) the Coloured Transport Account established by section 6 (1) of the Transport Services for Coloured Persons and Indians Act, 1972 (Act No. 27 of 1972),

respectively, in respect of a declared area as defined—

5 (i) in the case of the account referred to in paragraph (a), in section 1 (1) of the Black Transport Services Act, 1957; or

(ii) in the case of the account referred to in paragraph (b), in section 1 of the Transport Services for Coloured Persons and Indians Act, 1972,

and which declared area is situated within a region which has been delimited under section 2 of the Regional Services Councils Act, 1985 (Act No. 109 of 1985), and in 10 which levies referred to in section 12 of the last-mentioned Act have been introduced, shall be paid into the State Revenue Fund.

(2) A credit balance referred to in subsection (1) shall be calculated as it was or is on the date on which levies referred to in that subsection were or are introduced in 15 the region in which the declared area referred to in that subsection is situated.

(3) All moneys which were or are, on or after the date referred to in subsection (2), by virtue of the provisions of the Act referred to in—

(a) subsection (1) (a), paid into the account referred to in that subsection; or

(b) subsection (1) (b), paid into the account referred to in that subsection, 20 in respect of a declared area referred to in subsection (1), shall likewise be paid into the State Revenue Fund.

(4) Any amount paid into the State Revenue Fund in terms of subsection (1) on account of any payment made, by virtue of the provisions of the Act referred to in—

(a) subsection (1) (a), for the benefit of the account referred to in that 25 subsection; or

(b) subsection (1) (b), for the benefit of the account referred to in that subsection,

and which payment in the opinion of the Director-General: Transport constituted an undue payment, may, with the approval of the Treasury, be paid from the State 30 Revenue Account to the person who made such undue payment.

Appropriation of amount of money for Special Defence Account

2. There is hereby appropriated from the State Revenue Fund, as a charge against the State Revenue Account, for the Special Defence Account established by section 1 of the Defence Special Account Act, 1974 (Act No. 6 of 1974), an amount of 35 R150 000 000 in respect of the commitments entered into under section 1A of that Act during the financial year which ended on 31 March 1988.

Defraying of unauthorized expenditure from State Revenue Account for 1984-85 financial year

3. (1) The State Revenue Account is hereby charged with the amount of 40 R1 779 886,55 to defray certain expenditure over and above the amounts appropriated for the requirements of the Province of the Transvaal for the financial year which ended on 31 March 1985.

(2) The expenditure referred to in subsection (1) is set forth in Schedule 1 and is more fully described on page 36 of the report of the Auditor-General on the 45 Accounts of the Provincial Administration of Transvaal for 1985-86 [RP 72-87], which has been submitted to Parliament, and in the Third Report of the Standing Committee on Provincial Affairs: Transvaal (on Unauthorized Expenditure) [K 12-87], 1987.

Defraying of unauthorized expenditure from State Revenue Account for 1985-86 50 financial year

4. (1) The State Revenue Account is hereby charged with the amount of R7 103 978,66 to defray certain expenditure over and above the amounts appropriated for the requirements of the Province of the Cape of Good Hope for the financial year which ended on 31 March 1986.

(2) The expenditure referred to in subsection (1) is set forth in Schedule 2 and is more fully described on page 6, paragraph 6 of the Report of the Auditor-General on the Accounts of the Provincial Administration of the Cape of Good Hope for 55 1985-86 [RP 56-87], which has been submitted to Parliament, and in the Third Report of the Standing Committee on Provincial Affairs: Cape Province (on Unauthorized 60 Expenditure) [K 13-87], 1987.

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Amendment of section 16 of Act 13 of 1944, as amended by section 4 of Act 47 of 1959 and section 1 of Act 20 of 1980

5. Section 16 of the Land Bank Act, 1944, is hereby amended by the substitution for paragraph (e) of the following paragraph:

- 5 “(e) no stamp duty shall be payable in respect of the issue of Land Bank debentures or Land Bank stock or the other Land Bank securities referred to in section 20 (1) (dA) or the registration of transfer thereof.”.

Amendment of section 20 of Act 13 of 1944, as amended by section 5 of Act 47 of 1959, section 1 of Act 35 of 1961, section 1 of Act 7 of 1962, section 2 of Act 20 of 1980 and section 3 of Act 21 of 1980

6. Section 20 of the Land Bank Act, 1944, is hereby amended—

- (a) by the insertion in subsection (1) after paragraph (d) of the following paragraph:
 15 “(dA) issuing other Land Bank securities;”;
- (b) by the substitution for subsection (3) of the following subsection:
 20 “(3) Land Bank bills, Land Bank debentures, other Land Bank securities and, subject to the provisions of subsection (1) (d), Land Bank stock may be issued in the Republic or elsewhere for such periods and upon such conditions and in such amounts as the board may prescribe, and such bills, debentures, [or] stock or other securities may be renewed or extended from time to time for such period as the board may deem fit: Provided that no Land Bank debentures or stock shall be issued without the Minister's approval.”;
- (c) by the substitution for subsection (4) of the following subsection:
 25 “(4) Such bills, debentures, [and] stock and other securities shall be issued in such form as the board shall determine, and records thereof shall be kept in such registers as the board shall prescribe.”;
- (d) by the substitution for subsection (5) of the following subsection:
 30 “(5) Neither the board, nor any agent, appointed as hereinafter provided, shall be under any obligation as regards the due fulfilment of any trust, whether expressed, implied or constructive, to which bills, debentures, [or] stock or other securities issued under this section may be subject, notwithstanding that the board or such agent has had notice that the bills, debentures, [or] stock or other securities are held subject to a trust.”;
- (e) by the substitution for subsection (6) of the following subsection:
 35 “(6) Anything to the contrary notwithstanding in the Public [Debt] Investment Commissioners Act, [1969 (Act No. 2 of 1969)] 1984 (Act No. 45 of 1984), Land Bank bills, Land Bank debentures, [and] Land Bank stock and the other Land Bank securities referred to in subsection (1) (dA) shall be regarded as included in the securities in which the Public [Debt] Investment Commissioners may make investments.”;
- (f) by the substitution for subsection (7) of the following subsection:
 40 “(7) The board may make regulations as to Land Bank bills, Land Bank debentures, [or] Land Bank stock or the other Land Bank securities referred to in subsection (1) (dA), defaced, lost, burnt or otherwise destroyed, and also as to such further matters arising out of its power to issue bills, debentures, [or] stock or other securities as may from time to time be necessary, but no such regulation shall be of force or effect until it has been approved by the Minister and published in the Gazette.”; and
- (g) by the substitution for subsection (8) of the following subsection:
 50 “(8) The board may appoint any bank or any other person as its agent for the issue or repayment of any bills, debentures, [or] stock or other securities issued under this section, or to do any other act which under this section may or shall be done by the board, and may enter into an agreement with such agent as to the duties to be performed and the remuneration therefor.”.
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Amendment of section 8 of Act 29 of 1944, as amended by section 32 of Act 36 of 1950, section 3 of Act 87 of 1969, section 2 of Act 49 of 1973, section 1 of Act 47 of 1984 and section 1 of Act 6 of 1987

7. Section 8 of the South African Reserve Bank Act, 1944, is hereby amended—
- 5 (a) by the substitution for paragraph (a) of subsection (1) of the following paragraph:
 “(a) make or cause bank notes to be made, coin or cause coins to be coined and issue bank notes and coins for use in the Republic;”;
- 10 (b) by the substitution for paragraph (aA) of subsection (1) of the following paragraph:
 “(aA) with the object of making banknotes or coining coins, and with any object incidental thereto, form [a limited company] companies in accordance with the provisions of the Companies Act, 1973 (Act No. 61 of 1973);”;
- 15 (c) by the insertion, in subsection (1), after paragraph (aC) of the following paragraph:
 “(aD) make or cause bank notes, to be issued for use in another State, to be made and coin or cause coins, to be so issued, to be coined;”.

Amendment of section 2 of Act 41 of 1960, as amended by section 71 of Act 6 of 1965, section 9 of Act 8 of 1968, section 11 of Act 24 of 1971, section 6 of Act 33 of 1972, section 12 of Act 44 of 1974, section 15 of Act 29 of 1981 and section 5 of Act 13 of 1983

8. (1) Section 2 of the Level Crossings Act, 1960, is hereby amended by the substitution, in subsection (2), for the words preceding paragraph (a), of the following words:
- 25 “Subject to the provisions of subsection (7) there shall be paid to the Fund during each financial year, in equal monthly instalments, the sum of [seven] ten million five hundred thousand rand, of which—”.
- (2) Subsection (1) shall be deemed to have come into operation on 1 April 1987.

Amendment of section 1 of Act 78 of 1964

- 30 9. (1) Section 1 of the South African Mint and Coinage Act, 1964, is hereby amended by the deletion of the definition of “director” and of “the mint”.
- (2) Subsection (1) shall come into operation on a date fixed by the State President by proclamation in the *Gazette*.

Repeal of Chapter I and section 22 in Chapter IV of Act 78 of 1964

- 35 10. (1) Chapter I and section 22 in Chapter IV of the South African Mint and Coinage Act, 1964, are hereby repealed.
- (2) Subsection (1) shall come into operation on a date fixed by the State President by proclamation in the *Gazette*.

Amendment of section 13 of Act 35 of 1971, as amended by section 13 of Act 33 of 1972 and section 18 of Act 64 of 1978

11. Section 13 of the Railways and Harbours Pensions Act, 1971, is hereby amended by the addition of the following subsection:
- 45 “(6) (a) If, within six months after the date of commencement of section 2 of the National Transport Corporation Act, 1987 (Act No. 21 of 1987 of South West Africa), a person who is a member of the New Fund takes service with the National Transport Corporation Limited established by the said section 2 (hereinafter in this subsection referred to as the Corporation), in terms of a transfer agreement between the Administration and the Corporation, there shall be paid from the New Fund, subject to the provisions of paragraph (b), to the pension fund established for employees of the
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Corporation, such amount as may be required by the last-mentioned pension fund, and such person shall thereafter have no further claim on the New Fund: Provided that the amount so paid shall not exceed the contributions of the person concerned, the contributions of the Administration and interest, calculated at a rate and on a basis agreed upon by the Administration and the Corporation, on both those contributions held in the New Fund in respect of the person concerned.

(b) No payment shall be made in terms of paragraph (a) unless—

(i) the person referred to in paragraph (a) becomes a member of the pension fund of the Corporation; and

(ii) the rules of the pension fund of the Corporation make provision for the whole period of that person's pensionable employment under the Administration to be reckoned as continuous with the period of his pensionable employment as an employee of the Corporation.”

15 Amendment of section 12 of Act 43 of 1974, as amended by section 20 of Act 64 of 1978

12. Section 12 of the Railways and Harbours Pensions for Non-Whites Act, 1974, is hereby amended by the addition of the following subsection:

“(6) (a) If, within six months after the date of commencement of section 2 of the National Transport Corporation Act, 1987 (Act No. 21 of 1987 of South West Africa), a member takes service with the National Transport Corporation Limited established by the said section 2 (hereinafter in this subsection referred to as the Corporation), in terms of a transfer agreement between the Administration and the Corporation, there shall be paid from the Pension Fund, subject to the provisions of paragraph (b), to the pension fund established for employees of the Corporation, such amount as may be required by the last-mentioned pension fund, and such member shall thereafter have no further claim on the Pension Fund: Provided that the amount so paid shall not exceed the contributions of the member concerned, the contributions of the Administration and interest, calculated at a rate and on a basis agreed upon by the Administration and the Corporation, on both those contributions held in the Pension Fund in respect of the member concerned.

(b) No payment shall be made in terms of paragraph (a) unless—

(i) the member referred to in paragraph (a) becomes a member of the pension fund of the Corporation; and

(ii) the rules of the pension fund of the Corporation make provision for the whole period of that member's pensionable employment under the Administration to be reckoned as continuous with the period of his pensionable employment as an employee of the Corporation.”

40 Insertion of section 27G in Act 66 of 1975

13. The following section is hereby inserted in the Exchequer and Audit Act, 1975, after section 27F:

“Further portion of certain loans to South African Transport Services deemed to be permanent capital

27G. (1) An amount of R442 000 000 of the aggregate amount of loans paid out by the Treasury to the South African Transport Services under section 27 (1) up to 31 March 1988, shall with effect from 1 April 1988 be deemed to be permanent capital made available to the South African Transport Services for uneconomical rail passenger services, and shall not be repayable to the Treasury.

(2) The South African Transport Services shall in respect of a financial year calculate interest on the permanent capital referred to in subsection (1) at a rate equal to the weighted average rate applicable on the last day of the preceding financial year to the loans referred to in that subsection,

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and the amount of such interest shall not be paid to the Treasury, but shall be retained by the South African Transport Services and reflected in its books as revenue collected on rail passenger services.

5 (3) Each of the loans referred to in subsection (1) shall, for the purposes of the calculation of the interest payable thereon in terms of section 27 (2), be deemed to have been reduced with effect from 1 April 1988 by an amount which bears the same ratio to the amount of the loan in question as the ratio which the amount of the permanent capital referred to in subsection (1) bears to the aggregate amount of all such
10 loans."

Amendment of section 41 of Act 66 of 1975, as amended by section 12 of Act 100 of 1981 and sections 11 and 15 of Act 77 of 1986

14. Section 41 of the Exchequer and Audit Act, 1975, is hereby amended by the insertion after subsection (8) of the following subsection:

15 "(8A) (a) The State President may at the request of the Auditor-General, and for any reason which the State President may deem sufficient, allow the Auditor-General to vacate his office or to retire, as the case may be, at any time before the Auditor-General has attained the age referred to in subsection (8).

20 (b) If the Auditor-General is under paragraph (a) allowed to vacate his office or to retire, he shall, notwithstanding anything to the contrary contained in subsection (8), be deemed to have vacated his office or to have retired in terms of that subsection, and he shall, subject to the provisions of subsection (10), be entitled to such pension as he would have been entitled
25 to if he had vacated his office or had retired, as the case may be, in terms of subsection (8)."

Repeal of section 50 of Act 11 of 1977

15. Section 50 of the Finance and Financial Adjustments Acts Consolidation Act, 1977, is hereby repealed.

30 **Short title**

16. This Act shall be called the Finance Act, 1988.

Schedule 1

Vote number	Title of Vote and financial year	Amount
Vote 4	Hospital Services, 1984-85	R 1 779 886,55

Schedule 2

Vote number	Title of Vote and financial year	Amount
Vote 2	Education, 1985-86	R 2 425 803,62
Vote 3	Hospital Services and Public Health, 1985-86	2 352 479,41
Vote 7	Works, 1985-86	2 022 413,15
Vote 8	Capital, 1985-86	303 282,48
		7 103 978,66